

Opening of northern crossing delayed

AMMAN (AFP) — The opening of a second Israel-Jordan crossing has been delayed until the peace treaty goes into effect with the ratification by Parliament here and a Royal Decree, a Jordanian official said Monday. The Sheikh Hussein crossing across the Sea of Galilee was to have been opened five days after the two countries signed their treaty on Oct. 26 under the terms of the agreement. "The crossing will only be opened once the treaty becomes official with a Royal Decree following its ratification by both Houses of parliament," the official told AFP. Parliament's foreign affairs committee has since Sunday been studying the article which requires a simple majority of the 80 deputies in the assembly. The treaty has the support of most of the deputies. The crossing will be the second after the one of Araba near the Gulf of Aqaba, inaugurated on August 8 for third-country tourists by Israeli Prime Minister Yitzhak Rabin and Crown Prince Hassan. It will be located near the Sheikh Hussein Bridge on the Jordan River.

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Israel, Tunisia plan low-level ties'

TEL AVIV (AP) — Israel and Tunisia agreed Monday to establish low-level ties within half a year, Israel Radio reported. The two sides will set up economic interest offices in each other's countries in a first step, the report said. Israel's foreign ministry had no immediate comment. Tunisia is following in the steps of Morocco which established formal ties with Israel in September.

Four foreigners kidnapped in India

NEW DELHI (AFP) — A Muslim group claimed Monday to have abducted three Britons and a U.S. national from New Delhi and have threatened to kill them unless 10 named Kashmiri militants were freed by the Indian government. The unknown group mailed the letter to the headquarters of the British Broadcasting Corporation (BBC) here along with passports of the three Britons reportedly abducted by them. Similar letters were also reportedly sent to the offices of Voice of America radio. Senior police officials and federal intelligence personnel were in a meeting here late Monday night after the reports of the abductions, sources said.

Al Arqam disbands

KUALA LUMPUR (AFP) — Malaysia's outlawed Muslim sect Al Arqam announced Monday it had disbanded, after its repentant founder confessed he had turned the movement from the true Islamic path. "We have grown up listening to advice. It's from this advice that we realise we ought to follow the wishes of the leadership," Mohammed Nasib Zazani, a spokesman for the Al Arqam, told reporters. Al Arqam founder Ashaari Muhammad, 57, said on national television early this month and in a live appearance before Arqam members last week that he had wrongly guided the movement. Mr. Ashaari's confession was made just before he was released from a month-long state detention. The movement was banned on August and the government clamped down on members who refused to abandon it.

Israel honours Phillip

TEL AVIV (AFP) — Israel bestowed one of its highest awards on the Duke of Edinburgh on Monday in the name of his mother who saved a Jewish family from the Nazis. The consort of Queen Elizabeth II and his sister Princess George of Hanover received the certificate of "righteous among nations" from Yad Vashem, Israel's memorial to the Jews killed during the holocaust. Their mother Princess Alice of Greece had three members of the Cohen family for a year in a royal palace in occupied Athens during World War II. She also aided the escape of three other Cohens. One of the survivors, Michel Cohen, was too overcome to speak at the moving ceremony of prayers and music.

Armed gang kidnaps Algerian journalist

ALGIERS (AFP) — An armed gang has kidnapped an Algerian journalist, Kaddour Bousalem, with two other people, in the latest of a wave of attacks on the media by suspected Islamic extremists, press reports said Monday. Mr. Bousalem, 47, who works for the government daily Horizons, was abducted overnight Saturday at Hacine near Mascara, 250 kilometres southwest of the capital. He was seized from the tent he has been living in with his wife and six children since an earthquake shook the region in August. The gang, some 50 strong, also kidnapped two other people, including a school watchman, and set fire to several public buildings, including the town hall, the reports said.



A partial view of participants in the Casablanca economic summit at its opening session late Sunday (AFP photo)

Officials, businessmen explore investment in Middle East

Casablanca summit gets down to business

Combined agency dispatches

LOFTY WORDS of Mideast peace gave way to the nuts and bolts of foreign investment Monday as government and business leaders from 65 countries sought ways to boost the region's capital-starved economy.

More than 2,500 participants in the inaugural Middle East and North Africa Economic Summit opened panel discussions on topics ranging from capital markets and foreign investment to tourism and information technology.

The money is available. It's a matter of creating the proper environment for stability and profitability," Percy Barnevik, head of the Swiss-Swedish engineering company ASEA Brown Boveri, told Monday morning's session.

Use of the region's scarce water resources is high on the list of problems that the region could solve through greater cooperation among Israel and Arab states.

"We don't talk about it much, but water is really the crucial issue," Mr. Barnevik said.

Banking, media business, the environment, dropping trade barriers and boosting the Palestinian economy are also under discussion at the summit which aims to unite the fractious region by creating interdependent econo-

mies and raising the standard of living in some of the world's poorest countries.

The summit marks the first time Israeli and Arab officials and investors meet to formulate specific investment and cooperation projects.

The Israeli delegation said it was bringing 150 business proposals from the private sector worth \$25 billion.

In Monday's developments at the summit:

Israeli Transport Minister Israel Kessar said his country and Jordan had agreed to set up a joint commission to develop transport links.

The commission will meet for the first time on Nov. 19 and 20 in Tel Aviv and will discuss ways to develop "road, port and rail links," Mr. Kessar said after talks with Jordanian officials. A second meeting will be held in Amman.

Norwegian company director Terje Osmundsen said his country came to the conference with a "special interest" in investing in the region, having brokered secret talks with Israel and the PLO which led to the declaration of principles on autonomy in September 1993.

His company Kvaerner, the biggest private engineering company in Norway, is holding meetings with Israel and Jordan to discuss desalination projects and a canal between the Dead Sea and

Mediterranean.

A Jordanian tourism official said he had high hopes of luring investors to his country.

The Jordan Rift Valley and the port of Aqaba are a priority area for development by both Jordan and Israel.

"We have already had 120 million worth of applications for projects. Southeast Asian companies are competing for a foothold in the Middle East which is good for us," said the Jordanian official.

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House expected to begin floor debate of Jordan-Israel peace treaty next week

By Ayman Al Safadi
Jordan Times Staff Reporter

AMMAN — The Foreign Affairs Committee at the Lower House of Parliament will in a matter of days present its recommendations on the Jordanian-Israeli peace treaty to the House, which will start debating it early next week, well-informed parliamentary sources said Monday.

The committee, which yesterday held two meetings with government officials on the "technical aspects" of the treaty, will tomorrow discuss the political dimensions of the accord with Prime Minister Abdul Salam Majali, the committee's president, Deputy Abdur Karim Al Kabariti (Aqaba), told the Jordan Times.

The treaty, which the government presented to the House as a draft law on Saturday, was referred to the committee Sunday after a short debate in which the opposition attacked it as an unconstitutional accord that falls short of realising Jordanian and Arab rights.

Forty-seven out of 73 de-

puties present at Sunday's

session voted in favour of referring the treaty to the committee, while only 19 lawmakers supported the Islamic Action Front's (IAF) motion to reject it.

The 23-member Foreign Affairs Committee, in which the House blocs are represented, began its meeting with a speech from Mr. Kabariti, who urged his colleagues to deal with the treaty with an open heart and mind and away from attempts to make ideological stands which can be made in the House when debate of the treaty begins."

He told the committee members, who include three IAF deputies, that the duty of the panel was to study all aspects of the accord, gather information about it and then present its views to the House.

"Before we start," Mr. Kabariti said, "let's agree that there is a deep-rooted heritage of enmity and hatred between us and the idea of an Israeli entity." That, he said, is manifested in many expressions and stands that have formed "our collective conscience for the past decades."

The treaty will go into effect as law after Parliament ratifies it and His Majesty King Hussein signs it into law.

But today the country stands at a threshold of an historic era, which, with the ratification of the treaty, will lead to the birth of a future governed by the logic of peace. Mr. Kabariti said.

"The logic of peace conflicts with the mentality of war in that it celebrates heroism and patriotism to protect life and development while the mentality of war urges heroism and patriotism at the expense of life and development," said Mr. Kabariti, a leading member of the National Democratic Coalition.

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borders rights and duties, is the Jordanian." Mr. Kabariti urged members of the committee to be "true to our Jordanian identity and debate the treaty with that in mind."

The House debate of the accord is expected to be marked by tension as the opposition, led by the IAF, has asserted it will "fight (the peace treaty) with all our power," before the House takes a vote on it.

The House cannot introduce any changes to the treaty to which the Kingdom entered on Oct. 26, with its choices limited to either approving or rejecting it.

But parliamentary sources said the House can make recommendations which the government can take into consideration in the bilateral talks it is holding with Israel on economic and development issues. The government has said these talks could take up to nine months before they are finalised.

The treaty will go into effect as law after Parliament ratifies it and His Majesty King Hussein signs it into law.

Haaretz quoted Israeli sources as saying the channel was "very important" and was linked to frequent discussions between the two countries' ambassadors in Washington.

However, Israeli ambassador Itamar Rabinovich refused to comment on the report, although he has acknowledged the meetings with his counterpart Walid Muallem.

Israeli army spy chief in 'secret Syria talks'

TEL AVIV (Agencies) — Israel's military intelligence chief General Uri Sagiv has been involved in regular, clandestine meetings with senior Syrian army officers, a newspaper reported Monday.

The Haaretz daily said that the security talks had been going on for more than one year in European capitals and occasionally, for convenience sake, in Lebanon through Egyptian mediation.

The newspaper did not say if Gen. Sagiv took part personally, only that he "accompanied" the meetings. His activities are covered by the military censor.

According to Haaretz, Gen. Baruch Spiegel, head of the liaison with foreign armies, heads the Israeli side.

The Syrian officers were led by Gen. Adnan Tayara. He took part in negotiations on security arrangements between the two countries in 1974, a year after the October war in the Middle East when Syria failed to recapture the Golan Heights it lost in the 1967 conflict. He died in April this year.

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Syria has steadfastly denied periodic reports of secret talks with Israel and

Iraq says Israel is behind bombings

BAGHDAD (Agencies) — Iraq on Monday accused Israel of having ordered the bombing that killed four people at a church here.

"Such criminal acts, which have evil goals, can only have been perpetrated by agents of the Israeli secret service, Mossad," Iraq's official Al Qadissiyah newspaper said of Sunday's attack.

The newspaper also accused Israel of trying "to turn Iraq into a second Lebanon," where rival militias fought each other in the 1975-1990 civil war.

It was the first time Iraq blamed Israel for one of a number of bombings here in the last several years that it normally attributes to Iranian agents.

Three policemen and a church caretaker were killed when one of the officers tried to defuse a bomb shortly after mass on Sunday, the official Iraqi News Agency (INA) and witnesses said.

INA said the church caretaker found a suspicious package — a box of baby milk formula with the bomb concealed inside — in the Virgin Mary Chaldean Church in the Karrada district of the capital and alerted police.

"Such criminal acts will not tarnish Iraq's image and will not undermine the unity of its people," Al Qadissiyah said. It warned "the Zionists and

(Continued on page 7)

Lebanon recaptures peace initiative

BEIRUT (AFP) — Buoyed by the prospects of progress on the Syrian-Israeli track of the Middle East peace negotiations, Lebanon is trying to recapture the initiative in its own peace talks with Israel.

After eight months of deadlock, Lebanese President Elias Hrawi offered on Saturday to halt all attacks in South Lebanon for six months in return for a pledge from the Jewish state to withdraw.

Mr. Hrawi said Lebanon was "willing to accept the initiative of Israeli Prime Minister [Yitzhak Rabin] and set up immediately a military and political commission with Israel to negotiate with Israel for six months."

"I commit myself that during this six-month period not a single shot will be fired at Israel, so long as the Jewish state commits itself to a total withdrawal according to a timetable to be agreed," he said.

Israeli troops have been deployed in South Lebanon since 1978 in defiance of a U.N. Security Council resolution calling for their immediate and unconditional withdrawal.

Since 1978, Israel has occupied an 1,000-square-kilometre "security zone" to protect its north.

Mr. Rabin had proposed in August an Israeli withdrawal from South Lebanon over nine months if Lebanon first disarmed the Iranian-backed Hezbollah guerrillas, which have waged an almost daily war against Israeli troops.

Lebanese Foreign Minister Fares Bouez had dismissed that proposal saying Israel was asking Lebanon to "sell off cheaply" the only card in its hands with nothing in re-

turn.

The Lebanese authorities have repeatedly said the Islamic Resistance Movement, Hezbollah's armed wing, which enjoys Syrian backing, had a right to fight an end to the occupation of Lebanese land.

Beirut is in fact proposing to deploy the Lebanese army, backed by U.N. peacekeepers already deployed in South Lebanon, at the international border.

Officials here said Mr. Hrawi's offer was not new but the timing was right.

"It is not a new proposal but the fact that it is being made now is not fortuitous," a high-ranking official told AFP on Sunday, and linked the offer to the results of last Thursday's summit in Damascus between Syrian President Hafez Al Assad and U.S. President Bill Clinton.

Lebanon is convinced that progress is being made on the Syrian-Israeli peace track and that this would reflect on Lebanon whose fate has been linked to Syria's since May 1991, under a treaty of friendship and cooperation.

"Lebanon has now a margin of manoeuvre because it is the first time that Assad spoke of 'normal relations with Israel,' the official said, referring to remarks Mr. Assad made at a joint press conference with Mr. Clinton.

"A very big step was taken during Clinton's visit to Damascus," the official said.

Mr. Clinton has said progress but no breakthrough was made during his visit to Syria, while Mr. Assad spoke of "fruitful and positive talks."

On Sunday U.S. Secretary of State Warren Christopher said "substantial progress"



Elias Hrawi

was made, adding, however, it was logical for Syria and Israel to try and show that the progress was limited to reinforce their positions.

The Syrian-Israeli talks have been deadlocked over the scope and timing of an Israeli withdrawal from the Golan Heights which Israel seized in 1967.

"The situation in South Lebanon is much simpler than on the Golan Heights because Israel has not settlements or heavy weapons deployed permanently in the south," a Lebanese political observer said.

Steir seeks French help

Maronite Patriarch Nasrallah Pierre Steir, named Sunday as one of 30 new cardinals to be appointed next month by Pope John Paul II, called on France to help his

native Lebanon "recover its independence."

Mr. Steir, who will be the third successive Maronite patriarch to become a cardinal, told a French television station after arriving in Paris for a three-day official visit Sunday: "We hope that France will aid Lebanon to recover its independence, its sovereignty and its freedom of decision."

During his visit to France, Mr. Steir is scheduled to meet with Prime Minister Edouard Balladur and Foreign Minister Alain Juppe. It is his first visit to France since 1986.

The two other Maronite cardinals were Mr. Steir's immediate predecessors, Antoine Pierre Khorache and Paul Meouchi.

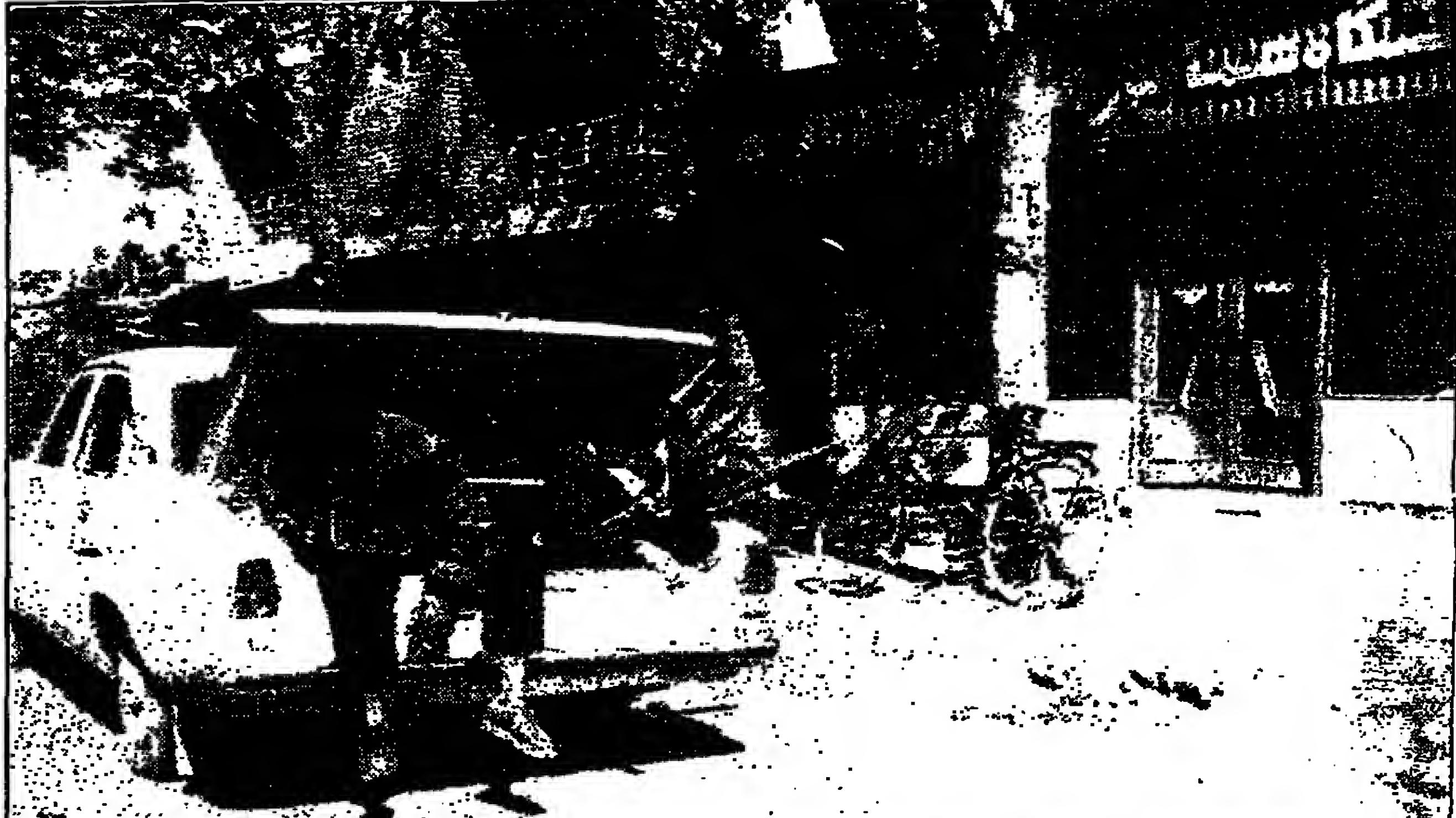
Mr. Steir, 74, the son of a wealthy Lebanese land owner, was ordained into the priesthood in 1950 and became bishop in 1961. He became patriarch of Antioch in 1986.

He is widely active in Lebanese Christian affairs and as head of the Maronite church in Lebanon played a leading role in trying to encourage dialogue between the country's various warring parties during the 15-year war that ended in 1990.

He is the spiritual leader of some five million Maronites living in Lebanon and abroad, mainly in France, the United States, Brazil and Australia.

Maronites are Christians who mainly live in Lebanon and are followers of Saint Maron, a fourth century monk who founded the sect.

Mr. Steir celebrated mass with Cardinal Jean-Marie Lustiger in Paris's Notre Dame cathedral Sunday.



ARMED SHOPPING: Heavily armed fighters loyal to Afghan President Burhanuddin Rabbani ride in the boot of their commander's car while shopping during a lull in fighting on the south Kabul frontlines (see page 12) (AFP photo)

Israeli excitement tinged with unease

SHEIKH HUSSEIN BRIDGE (AP) — They

came by the carload, day-tripping couples with children and grandparents, to gaze at a bridge on the Jordan River that leads, so they hope, to a shining future.

But among the hordes of Israeli sightseers staring agog this weekend at the new bridge, the bulldozers and the Israeli and Jordanian soldiers chatting to each other, some were wondering: Would peace with Jordan would be like the 15-year-old peace with Egypt, cold and distant?

"I see that sign saying 'welcome to Israel,' and I get butterflies in my stomach. This is terrific," exclaimed Shlomo Schwartz, who drove 100 kilometres from the Sea of Galilee. It was blown up in 1948.

The Sheikh Hussein Bridge lies on an ancient east-west trade route across the Jordan River 20 kilometres south of the Sea of Galilee. It was blown up in 1948.

Construction workers have

spent five hectic weeks clearing away the old bridge and building the new one. A 3.7-hectare customs terminal is going up: "Welcome to Israel" and speed limit signs have already gone up in Arabic, Hebrew and English.

The moment they open the border I'm dropping everything, jumping in the car and going to Jordan."

But Mr. Schwartz, a former soccer star, sometimes found himself at odds with other, more sceptical sightseers.

Over and over, people asked why there were no similar crowds on the other side.

The question reflects a fear, rooted in the experience with Egypt, that the other side may not share their enthusiasm about the peace treaty.

Israelis often complain that Egypt, despite exchanging ambassadors and opening its borders, keeps the Jewish state at arm's length. Egyptian President Hosni Mubarak never visits here, they fret.

Trade is at a trickle. Israeli

tourists to Egypt outnumber Egyptian visitors 7-1 with 118,000 Israelis visiting Egypt and 16,200 Egyptians visiting Israel so far this year.

Israeli officials insist that with Jordan, things will be different; that King Hussein pointedly speaks of "a warm peace"; that Egypt and Israel have the vast Sinai desert between them, while Israelis and Jordanians have lived side by side in peace and war.

Albert Cohen, a tour bus driver, who lives in nearby Beit Shean, remembered how he used to gaze through a rifle scope at the other side, wondering what kind of people lived there.

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This eagerness is natural for a country cooped up for much of its history behind closed, hostile borders.

"When something is closed to you for so long, forbidden off-limits, it makes you all the more curious to see it," said Naomi Truman, a kibbutz woman from nearby collective farm settlement of Kibbutz Deganya Bet.

"Paving the peace," say government billboards along a narrow road which is being widened to accommodate dozens of Jordanian cargo trucks a day, bound for Israel.

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ROTARIAN VISIT: His Majesty King Hussein Monday arrives at the Royal Court Carlo Ravizza, chairman of the International Rotary Club, and an accompanying delegation. Mr. Ravizza extended to the King an invitation to be the keynote speaker at an International Rotary Club

conference due to be held in Nice, France, in June next year. Mr. Ravizza said the invitation to King Hussein was extended in a show of appreciation on the part of the world rotarians for the King's continued efforts towards the establishment of a just and permanent peace in the Middle East region (Petra photo)

Sinai blooms with drug plants

peal to the Jordan Times
AMMAN — An agreement on economic cooperation between the Federation of Jordanian Chambers of Commerce and the Croatian Chamber of Economy will be signed on Thursday, according to Federation President Mohammad Asfour on Monday.

The agreement, which may be joined by the Bosnian Chamber of Economy, "if the Bosnian side expresses its wish to do so," pays special attention to investment projects and commercial cooperation between Croatia and Jordan.

The protocol foresees cooperation in the fields of trade and maritime arbitration, trademark registration, patent application and mutual assistance in the case of business disputes, cooperation at fairs as well as the periodic exchange of economic, trade and law information, and common professional seminars and

trade conferences.

As part of a one-week trade mission to Jordan, about a dozen Croatian officials and businesspersons met with their Jordanian counterparts here Monday.

Mr. Asfour welcomed the Croatian representatives and expressed his hope for peace in Croatia and its neighbouring countries. He said the trade balance between the two countries was still in favour of Croatia and that efforts should be made to equalise it.

"Jordan's industry is becoming prominent," said Mr. Asfour. "Jordanians are industrious, our prices are very competitive and the standards of production are high. There is no reason why we shouldn't increase our exports to Croatia."

Croatia's exports to Jordan, mainly pharmaceuticals, textiles, sweets and paper, went up from JD 144,000 in 1992 to JD

653,000 in 1994, while Jordan's exports to Croatia, limited to tomatoes and domestic fuel heaters, were zero in 1992 and JD 29,000 in 1993.

Vjekoslav Tomasic, director of international relations at the Croatian Chamber of Economy in Zagreb, stressed the importance of trilateral economic cooperation between Croatia, Bosnia and Jordan, adding that a trilateral trade delegation had already met with U.S. officials in September.

Mr. Tomasic said that due to its geographic location in the west of the country, Croatian industry had suffered relatively little damage from the war in former Yugoslavia.

"Our damages amounted to \$900 million, while the entire war damages amount to an estimated \$20 billion," Mr. Tomasic explained.

He said there were good reasons for foreign investment in Croatia, particularly because the Croatian

government makes no distinction between domestic and foreign investors, who are allowed to own a 100 per cent share in Croatia.

Further advantages, according to Mr. Tomasic, were Croatia's geographical position in the centre of south east Europe, its traditional business ties with the countries of Western Europe, its liberal legal framework, the skilled labour force, low wages (\$200-\$300/month) and low corporate taxes (25%).

The Croatian representatives, all of them from the electronic industries, Monday also met Mohammad Smadi, secretary general of Jordan's Ministry of Industry and Trade.

Dr. Smadi stressed the importance of the Israeli-Jordanian peace treaty to ensure a secure climate that can attract foreign investors.

After the talks at the ministry, the Croatian delegates met individually with Jordanian counterparts.

By a Jordan Times Staff Reporter

AMMAN — Jordanian Baathist activist Dafi Jamaani, released on Sunday from a Syrian jail after 23 years of incarceration, has returned to his family home in Madaba, family members said.

Mr. Jamaani, 67, was the last of Jordanian Baathist leaders who were put in prison when Hafez Al Assad staged a bloodless coup in Syria, toppling President Nureddine Al Atassi and assuming power in 1971.

President Assad, who released some of the detainees in the mid-70s, steadfastly rejected all appeals for the release of the rest until recently.

Three other Jordanians Baathist leaders detained along with Mr. Jamaani were released in 1992 and 1993. They were Mjalli Nasraween, Yousef Bourji and Hakam Al Fayez. Hassan Khatib, who was detained for his Palestinian national activities, was also released late last year.

Ex-president Atassi was freed last year when he fell seriously ill; he died in a Paris hospital shortly thereafter.

There was no immediate explanation why the Syrian leadership decided to free Mr. Jamaani, but the release fitted into a pattern that analysts believe stemmed from a belief in Damascus that none of the old guard leadership of the Baathists posed any serious threat to the regime of President Assad.

All the Jordanians detained by President Assad, who was an army colonel when he staged the 1971 coup, were members of the pan-Arab leadership of the Baathist Party who did not agree with his coup or his single-handed leadership of the country. Also detained were some Iraqis and Syrians as well as other Arabs.

The Associated Press identified those remaining in Syrian detention as Mohammad Ashawi, who was interior minister under Mr. Atassi, Abdul Hamid Mouqdad and Fawzi Ridha. It said they were all Syrian.



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Each claims he represents the legitimate pan-Arab leadership of the Arab Baath Socialist Party and maintains political parties under the same names as this power base.

The release of the Jordanian Baathists detained in Syria was a key demand of many Jordanian groups for years. At several points, His Majesty King Hussein also intervened, but President Assad did not relent.

Until his arrest on June 25, 1971, Mr. Jamaani had been deputy general commander of Palestine Liberation Organisation forces. Before entering political life, he had served as a high-ranking officer in the Jordanian army.

Ten Jordanians, mainly students who were rounded up in the early 1980s, are still imprisoned in Syria. Furthermore, there are Hatem Zureikat, incarcerated in 1978 and Sa'id Hatamich, in detention since 1984.

Jordanian, Croatian commerce groups to sign economic cooperation agreement

peal to the Jordan Times
AMMAN — An agreement on economic cooperation between the Federation of Jordanian Chambers of Commerce and the Croatian Chamber of Economy will be signed on Thursday, according to Federation President Mohammad Asfour on Monday.

The agreement, which may be joined by the Bosnian Chamber of Economy, "if the Bosnian side expresses its wish to do so," pays special attention to investment projects and commercial cooperation between Croatia and Jordan.

The protocol foresees cooperation in the fields of trade and maritime arbitration, trademark registration, patent application and mutual assistance in the case of business disputes, cooperation at fairs as well as the periodic exchange of economic, trade and law information, and common professional seminars and

trade conferences.

As part of a one-week trade mission to Jordan, about a dozen Croatian officials and businesspersons met with their Jordanian counterparts here Monday.

Mr. Asfour welcomed the Croatian representatives and expressed his hope for peace in Croatia and its neighbouring countries. He said the trade balance between the two countries was still in favour of Croatia and that efforts should be made to equalise it.

"Jordan's industry is becoming prominent," said Mr. Asfour. "Jordanians are industrious, our prices are very competitive and the standards of production are high. There is no reason why we shouldn't increase our exports to Croatia."

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AMMAN (Petra) — Prime Minister Abdul Salam Majali Monday said that tourism is not just set of archaeological sites which visitors want to see, but rather a network involving administrative, recreational and other services such as transport and communications which should be placed at the disposal of tourists.

Speaking during a visit to the Ministry of Tourism, Dr. Majali urged ministry officials to collaborate closely with the private sector in

promoting the tourism industry and better utilising the Kingdom's treasures of archaeological and historical attractions.

He said such cooperation was expected to attract more investors in this industry with beneficial results for the national economy.

To succeed in such an endeavour, the prime minister said, the tourism ministry like all the other government departments should abolish bureaucratic formalities and

and water resources and marked the end of long sufferings for the Jordanian people. It has opened the door for the Jordanians to dedicate their potentials and their efforts towards construction and attaining progress and development in the new era of peace.

Minister of State and acting Tourism Minister Abdullah Jazi was present at the meeting along with members of the ministry's planning committee.

Majali sees tourism as network of services; urges ministry cooperation with private sector

Women NGO officers to discuss joint plan for Arab World report to Beijing conference

AMMAN (I.T.) — Women NGO officers from non-governmental organisations (NGOs) operating in the Arab World will convene in Amman Tuesday to discuss a proposed joint plan for these organisations ahead of a one-day general meeting of the same groups on Nov. 3.

Huda Abu Ghazaleh, president of the General Federation of Jordanian Women (GFJW), said the liaison officers will refer their findings and the joint plan to the 500 delegates representing NGOs and representatives of regional and international organisations at their coming one-day meeting.

The Nov. 3 meeting is

scheduled to include 40 workshops dealing with issues of concern to women and their development and participation in socio-economic life, and will be held under the theme "equality, development and peace."

GFJW sources said that the 750 delegates will focus on women's status in the Arab World in general as part of preparations for the Arab World report to be submitted to World Conference in Women in next year.

On Oct. 25, Her Royal Highness Princess Basma announced that the national report on the status of women had been finalised

and would be submitted to the Nov. 3 meeting here.

She said the report covered the following international relations and women's rights, human rights, women under Islam, the role of women's organisations in promoting the women in socio-economic development, women in rural regions, women carrying out small size projects and women and the protection of the environment.

According to Dr. Abu Ghazaleh, an exhibition will be organised on the sidelines of the meeting displaying different items of publications and brochures on women's lives in their respective countries.

Both the Nov. 3 and the Nov. 6 conferences are being organised in cooperation with the U.N. Economic and Social Commission for Western Asia (ESCWA).

HOME NEWS IN BRIEF

Princess Basma visits policewomen's HQ

AMMAN (Petra) — Her Royal Highness Princess Basma Monday visited the policewomen's headquarters and discussed women's issues in the presence of Public Security Department (PSD) Director Abdul Rahman Udwani. The Princess urged the policewomen to participate in the general efforts to improve Jordanian women's status by employing their various acquired skills in the police force.

Non-resident envoy named to New Zealand

AMMAN (Petra) — A Royal Decree issued Monday approved the appointment of Hanif Tabbarah as non-resident ambassador to New Zealand. Mr. Tabbarah currently serves as the Kingdom's ambassador to Australia. Another decree, also issued Monday, appointed Moham-

mad Abu Nowar as ambassador at the Foreign Ministry.

Panel meets on Abu Zant case

AMMAN (Petra) — A special committee, formed by the Lower House of Parliament to investigate the case of Deputy Abdul Mun'eb Abu Zant who was attacked by unknown assailants at a mosque last Friday, Monday met under the chairmanship of House Speaker Saad Hayel Sour and discussed a mechanism for the committee's task. The committee also listened to comments by Interior Minister Salameh Hammad and Justice Minister Hisham Tell concerning the case. Sheikh Abu Zant was still in hospital at King Hussein Medical Centre, receiving treatment for injuries he sustained in the attack. Parliament has since issued a statement condemning the attack; the case is also being investigated by the judiciary.

WHAT'S GOING ON

LECTURE

* Lecture in Arabic entitled "What is New in U.S. Middle Eastern Foreign Policy" by Dr. Samir Mtawil at Abdul Hamid Shoushan Foundation at 6:00 p.m.

PLAY

* Play for children (in Arabic) entitled Hikayat Abu Al Abab (Strange Stories) at the Royal Cultural Centre at 3:00 p.m.

EXHIBITIONS

* Exhibition of art by Adnan Al Sharif at Ab'ad Art Gallery.

- * A special exhibition of "Polished City — the Monuments" at the Royal Cultural Centre.
- * Exhibition of oil paintings by Iman Khaled and Fawzi Rassouli at Baladna Art Gallery.
- * Art exhibition by Ola Ebeiso and an exhibition of Arabic calligraphy at the Phoenix Gallery for Culture and Art.
- * Exhibition of textiles artistry and patchwork by Tumilki Haddadin at the Gallery located at the Jordan Inter-Continental Hotel.
- * Exhibition entitled "Spanish Modern Engraving and Multiplied Sculpture" at the Jordan National Gallery, Jabal Luweibdeh (Tel. 630128).
- * The First Computer Art Exhibition in the Arab World at Ain Art Gallery.

Last Jordanian political detainee arrives from Syria

By a Jordan Times Staff Reporter

AMMAN — Jordanian Baathist activist Dafi Jamaani, released on Sunday from a Syrian jail after 23 years of incarceration, has returned to his family home in Madaba, family members said.

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Seoul asks China's help over North Korean nuclear pact

SEOUL (R) — South Korean President Kim Young-Sam Monday asked visiting Chinese Prime Minister Li Peng to play a constructive role in ensuring Communist North Korea kept its part of a nuclear deal with the United States.

"Kim asked Beijing to support a constructive role in supporting the accord and in getting the parties to adhere to the pact," a presidential spokesman told reporters after a meeting between Mr. Kim and Mr. Li.

He said Mr. Li, the most senior Communist Chinese official ever to visit South Korea, met Mr. Kim for private talks for an hour before expanded talks with cabinet ministers.

During the meeting, the two agreed inter-Korean talks should resume as early as possible, and that the issue could only be resolved between Seoul and Pyongyang.

"The two agreed that the (U.S.-North Korean) nuclear pact and the emergence of a new North Korean leadership would provide opportunities to create fresh inter-Korean

relations," the spokesman said.

In an agreement reached in Geneva, Washington said it would provide Pyongyang with light-water reactors to replace graphite reactors that produce plutonium, the key ingredient for making nuclear arms.

North Korea in turn agreed to halt construction of two nearly completed reactors and to forgo reprocessing of spent uranium fuel rods. The West suspects North Korea of extracting weapons-grade plutonium from the spent rods to make bombs.

China is North Korea's only remaining major ally and South Korea hopes for Chinese support in defusing inter-Korean tensions.

South and North Korea are still technically at war since the end of the 1950-53 Korean War, in which China fought beside the Stalinist North against U.N. forces led by the United States.

Mr. Li, who arrived in Seoul Monday for a five-day visit with an 150-member entourage, hopes to strengthen economic ties between the

two countries.

South Korea and China signed long-awaited agreements on aviation and nuclear energy.

South Korean Trade Minister Kim Chul-Su and Shi Wampeng, deputy director of the economic and trade office of China, signed an agreement to cooperate on the development of mid-sized civil aircraft. The aim is to build a prototype by 1998.

South Korean Foreign Minister Han Sung-Joo and his Chinese counterpart, Qian Qichen, finalised an aviation pact, allowing direct, regular services between the two countries.

The two ministers also signed an agreement to use nuclear energy for peaceful purposes and to comply with International Atomic Energy Agency (IAEA) agreements.

During his visit, Mr. Li will visit factories run by three of South Korea's biggest companies all of whom plan major investments in China.

Since the two countries established diplomatic relations in 1992, economic rela-

tions have boomed.

China ranks South Korea as its sixth largest trading partner while China is Seoul's third largest.

China put bilateral trade at \$4.96 billion in the first half of 1994, up 59.5 per cent from the same 1993 period, while its trade with North Korea fell 21.9 per cent to just \$336 million.

Millions of dollars of new South Korean investment have poured into many parts of China, including big coastal cities, but especially the heavily ethnic Korean areas of northeast China's Jilin and Liaoning provinces, bordering North Korea.

The Korean ventures produce metal goods, textiles and many garments, non-ferrous metals, shoes and leather goods, many of them for export.

Mr. Li is to leave Seoul Wednesday for a visit to the Hyundai car factory in city of Ulsan and factories in Pusan. He completes his visit with a private trip to the southern island of Cheju, returning to China Friday.



South Korean President Kim Young-Sam (left) greets Chinese Prime Minister Li Peng (right) at the presidential Blue House in Seoul Monday. Mr. Li is in Seoul for a five-day official visit (AFP photo)

Kim Jong-II reappears, prompting talk of N. Korean power transfer

SEOUL (Agencies) — North Korea's reclusive leader Kim Jong-II appeared in public on only two other occasions since his father died of a heart attack in early July — at Kim senior's funeral in a huge Pyongyang square and at a mass rally marking the 100th day of his death.

Mr. Kim visited a newly renovated tomb to Tangun, mythical founder of Korea, the first time the state's de facto leader made an appearance not directly linked to the death of his father, "Great Leader" Kim Il-Sung.

The younger Kim has long been designated his father's successor, but the world has yet to witness his succession to such key posts as Communist Party chief or state president.

Pyongyang's official Korean Central News Agency (KCNA) said Monday that "comrade Kim Jong-II, the great leader of our party and people" inspected the recently reconstructed tomb of Tangun Saturday and gave detailed instructions to preserve it.

"Kim Jong-II is making his first public step in his own political path but this does not mean he will become state president immediately," said Ko Tae-Woo, chief researcher at Seoul's Institute

of North Korean Studies.

The secretive Kim had appeared in public on only two other occasions since his father died of a heart attack in early July — at Kim senior's funeral in a huge Pyongyang square and at a mass rally marking the 100th day of his death.

North Korea this month finished reconstruction work at the 4,000-year-old tomb for Tangun, revered as the founder of the Korean race.

According to legend, Tangun was conceived from the union of a bear and a God's son, consummated in a garlic-filled cave.

Yu Suk-Ryu, fellow at the Institute of Foreign Affairs and National Security, said Mr. Kim's tour coincided with meetings across North Korea where he gave a message of thanks to the people for mourning his father for over three months.

"Such meetings will be used to show public support for Kim Jong-II and to promote him as the nation's undisputed leader," he said. "This will pave the way for him eventually to take over his father's political mantle."

KCNA reported Sunday that such meetings were held

at the weekend at ministries, the army, Kim Il-Sung University, hospitals and factories.

Meanwhile, North Korea has expressed its readiness to resume talks with Japan, but not South Korea, following its nuclear accord with the United States, Japan's Asahi newspaper reported Monday.

A Korean-American journalist told Asahi after a visit to Pyongyang that she was told by a government source that rapprochement would depend on "willingness on Japan's side."

She said the source was close to North Korea's new leader, Kim Jong-II.

Since the accord to help North Korea restructure its nuclear power programme with international assistance was signed on Oct. 21, Japan has been preparing for a resumption of talks with Pyongyang, which broke down in 1992.

At the same time, however, the source ruled out an immediate resumption of the inter-Korean dialogue unless South Korean President Kim Young-Sam changed his attitude, the newspaper quoted journalist Moon Myong-Ja as saying.

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CIA backed anti-Sukarno forces — report

LOS ANGELES (R) — The U.S. government has acknowledged for the first time that it conducted major covert operations to counter Communist influence in Indonesia in the 1950s, the Los Angeles Times reported Sunday.

But such incidents echo others from the fledgling years of the sectarian conflict in the early 1970s, when entire sectors of London and Belfast were declared "no-go areas" to security forces by paramilitaries from both the Roman Catholic Republican and Protestant Loyalist communities.

The newspaper said that according to a 600-page account published by the State Department earlier this month, the administration of President Dwight Eisenhower secretly backed anti-Communist rebels opposed to President Sukarno.

The account is the latest in a series of histories of U.S. foreign policy published by the State Department, the paper said.

Quoting an interview with official State Department historian William Slany, who wrote the introduction to the new volume, it said the histories, titled "foreign rela-

tions of the United States," had previously been written without ever mentioning the existence of the Central Intelligence Agency (CIA).

According to the Indonesia volume, Secretary of State John Foster Dulles concluded in 1958 that Gen. Sukarno was "untrustworthy" and "susceptible to the Communist way of thinking."

The CIA secretly began supplying and supporting anti-Communist military rebels on the outer Indonesian islands of Sumatra and Sulawesi at a time when the United States maintained normal diplomatic relations with Gen. Sukarno's government.

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India wants Kashmir polls as soon as possible

NEW DELHI (R) — The Indian government said Monday it wanted to hold elections in troubled Kashmir as soon as possible and dismissed suggestions that international observers were needed to ensure fair polling.

"We are very keen that elections should be held in the Jammu and Kashmir area as soon as possible," Home (Interior) Minister Shankar Chavan told a news conference.

More than 17,000 people have died in the Himalayan state of Jammu and Kashmir since a separatist rebellion broke out five years ago.

Opponents to Indian rule want either independence or union with neighbouring Pakistan.

For the past four and a half years the Indian central government has exercised direct rule over the state, which includes the Kashmir Valley.

Mr. Chavan did not say whether elections would be held in Jammu and Kashmir before a six-month extension of direct rule over the state, which includes the Kashmir Valley.

Mr. Chavan minimised differences with Junior Home Minister Rajesh Pilot, who recently suggested the state should be granted more autonomy before proceeding with elections.

Kashmiri separatists claim residents would boycott any elections and say there is bureaucratic resistance within the state to organising the polls.

Mr. Chavan played down the possibility that militant violence would disrupt

assembly elections. "The conditions are definitely very conducive for holding the elections in that area," he said. "My feedback is that we can hold the elections all right."

The minister said threats of violence had kept some people away from elections in the northwestern state of Punjab in 1992 but they went ahead without any major hitches despite a decade-long secessionist movement.

"We can't possibly not hold the elections merely because one political party says, 'we don't want to take part in the elections,'" he said. "The elections will be held."

The French call runs counter to Ms. Bhutto's oft-repeated stand that the issue can only be resolved through strong international pressure on New Delhi, and not in a bilateral framework.

Since Ms. Bhutto came to power in October 1993, she has never missed any opportunity to tell foreign officials of her stance on Kashmir.

India and Pakistan have fought two wars over Kashmir. New Delhi accuses Islamabad, which controls the northern third of Kashmir, of arming the rebels.

More than 10,000 people have died in Kashmir violence since 1989 when the Muslim separatist campaign gained momentum in the Himalayan region.

Asked whether he agreed with Mr. Pilot, Mr. Chavan said the cabinet had not taken a decision on the matter of autonomy.

Meanwhile, the Kashmir dispute could cloud Pakistani

last week's slaying of a Muslim rebel leader by Indian troops paralysed life in the northern Indian valley, the Press Trust of India (PTI) said.

During her visit to France, Ms. Bhutto urged her government to seek a solution through direct talks with India.

The Nov. 2-5 visit was originally intended to pack up investment deals between Pakistan and France.

But days before her visit France backed direct Indo-Pakistani talks on Kashmir, India's only Muslim-majority state, where a bloody campaign is being waged by separatist rebels who enjoy political support from predominantly Muslim Pakistan.

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Kohl to have knee operation

BONN (AFP) — Chancellor Helmut Kohl is to have a knee operation in the next few weeks, one of his aides said Monday. He said that the burly chancellor's busy schedule — an election campaign followed by current negotiations to renew his centre-right coalition — had so far not allowed him the time. Mr. Kohl, who weighs around 130 kilogrammes (288 pounds), was said to suffer pain in the knee if he had to stand any length of time.

Asteroids crash on Earth — TV hoax draws complaints

NEW YORK (R) — A fictional news broadcast showing gigantic asteroids crashing on Earth took Americans by surprise Sunday, with TV viewers jamming CBS switchboards to find out if their world was coming to an end. "The calls are coming in. They want to know if it's real," said Rob Feiner, an editing supervisor at the network's New York affiliate.

Entitled "Without Warning," the program attributed fictional reports of global disaster to news outlets such as Reuters and the Associated Press and showed scenes of panic and death on the ground, massive tie-ups in the skies above the United States and the collapse of the world's stock markets. The broadcast was shown a day before the spooky Halloween holiday, and appeared inspired by Orson Welles' famous Oct. 30, 1938, radio dramatisation of H.G. Wells' War Of The Worlds, which sent hundreds of Americans into a panic with its portrayal of a Martian invasion of Earth. Switchboards were jammed Sunday at the CBS network as the television production, hosted by veteran newscaster Sander Vanocur, showed "live" reports from disaster sites in Europe, Asia and the United States. CBS spokesman Tom Goodman said the network had acted responsibly by airing frequent disclaimers. Reporters at the network said they may not have been innocent warning and that those calling into a CBS hotline were unsure whether the reports of global disaster and nuclear holocaust were true.

'Monster of Florence' suspect proclaims innocence

FLORENCE, Italy (AP) — The 73-year-old man accused of being the "Monster of Florence" who killed 16 young people in the Tuscan countryside between 1968 and 1985, claimed his innocence and appealed for clemency as his trial ended here Saturday. Pietro Pacciani told the court tearfully that he was "innocent as Christ on the cross" as the jury prepared to adjourn to deliberate the verdict, which is not expected before Tuesday or Wednesday. The elderly Tuscan peasant produced a statue of a saint from his pocket and cried out: "Believe me, I have not done all this evil. A peasant who works the land does not even have the time to tie his shoelaces. Show patience, Mr. President, because I am innocent and have a broken heart."

As his trial drew to a close, addresses by the defense and prosecuting attorneys showed a gulf between those who were convinced of Pacciani's guilt and those who believed he had been made a scapegoat. The prosecutor's final address stressed contradictions in statements the Italian farmer made regarding his work during the time of the last double murder in 1985, when a French tourist couple, Nadine Maurier and Jean-Michel Kravichvili, were killed. Prosecutor Paolo Canessa said that "the trial has shown that there exist a great number of indications, all bad, precise and concordant, the lead to the conclusion that Pacciani was the author of these crimes." Defense attorney Rosario Bevacqua said on the other hand that there was "not a single proof, only artificial evidence, unreliable testimony, and inconsistent clues," and said Mr. Pacciani was "neither strong enough nor intelligent enough" to carry out the killings. Over a period of 17 years, seven couples visiting the Mugello countryside were killed by a prowler armed with a Beretta handgun. Two young German campers were also killed. Mr. Pacciani was arrested in 1991.

World

Aristide

Tamil king

World News

JORDAN TIMES, TUESDAY, NOVEMBER 1, 1994 5

Kohl to have knee operation

MOSCOW (AP) — German Chancellor Helmut Kohl will undergo surgery to repair a torn meniscus in his left knee, the Social Democratic party said yesterday. Mr. Kohl, 65, was injured last month during a game of soccer.

Asteroids crash on Earth — TV hoax draws complaints

NEW YORK (AP) — The latest in a series of doomsday predictions has been exposed as a hoax.



A Haitian girl collects sea water on the shore of the slum area of Cite Soleil in Port-au-Prince. The sea water is used by the

tens of thousands of Cite Soleil residents to wash laundry (AFP photo)

Aristide supporters look for work

PONT-AU-PRINCE (AP) — Jean-Robert Charles, who went into hiding when Haiti was under military rule, has started walking the streets without fear since President Jean-Bertrand Aristide came home on Oct. 15.

But he and other Aristide supporters who have been in hiding said Sunday they face a new problem — making a living.

"I have no place to stay. I'm living everywhere," said Charles, who fled Port-Au-Prince in April 1993 and returned after Mr. Aristide came back. "I have no money to rent a house."

(Continued on page 2)

The arrival in the past five weeks of over 10,000 U.S. troops on a mission to restore democracy has greatly improved security, especially in Port-Au-Prince, where the troops are concentrated.

But some Aristide backers have not returned to their homes in scattered rural areas because armed thugs still hold sway, according to aid workers. Pro-Democracy activists fear revenge attacks by members of the old regime.

"It gives the appearance of being very quiet, but there are still pockets of violence and people are still being harassed," said Sister Ellen Flynn of Hospice St. Joseph in Port-Au-Prince, which offered shelter to fugitives under military rule.

Mr. Aristide returned three years of after being ousted by a coup. At least 3,000 civilians were killed by military-backed police and paramilitary gunmen during military rule.

Members of paramilitary groups are believed still to have hundreds of weapons, and there are reports of violence in the countryside where local authority is virtually non-existent.

"There's too many big

guns hidden out there," said Carla Blumenthal, member of Christian peacemaker teams, a Chicago-based charity. "There's no way they're going to be able to get them all."

Mr. Aristide has tried to assure his people that Haiti is a safer place and urged those who fled the country to come home. About 300,000 people were believed to have gone underground during three years under the military.

For many, the new challenge is finding employment in the impoverished Caribbean nation.

Some members of Lavalas, Mr. Aristide's political party, said the top party members are finding work more easily than the president's rank-and-file supporters.

"My problem now is a job and money," said Belizean Joele, 37, a grass roots organizer for Lavalas. "I'm not going to sit here. I'm going to walk around and check with people to find work."

Jasmine Pierre, a 29-year-old Aristide activist whose husband was abducted by gunmen in 1991 and is still missing, says she is not afraid to be coming out of hiding. Her only priority is to get a job to feed her three children.

"If I'm working, then I will forget about the past," she said.



U.S. soldiers walk down one of Port-Au-Prince's arteries during a routine patrol. Security in the Haitian capital is assured by multinational armed forces as a new Haitian police force is receiving training under the supervision of the U.S. Department of Justice (AFP photo)

Monster of Florence's suspect proclaims innocence

EU begins planning for former Communist members

LUXEMBOURG (R) — Foreign Ministers from six former Communist states of eastern Europe met their European Union (EU) counterparts Monday to lay the groundwork for their future membership of the Western bloc.

"This is the first step in the scheme for integration. It is a very important day," Romanian Foreign Minister Teodor Mihaleanu said on arrival for the meeting.

Poland, Hungary, Romania, the Czech Republic, Bulgaria and Slovakia are keen to join Western institutions such as the EU and NATO as soon as possible, irrevocably distancing themselves from their former Soviet ties.

Driven on by Germany, which is keen to secure stability to its east, the EU has

turned over almost an entire regular foreign ministers' meeting to discuss actions that can be taken now to ease membership for the six.

"The path is marked out," German Foreign Minister Klaus Kinkel said in welcoming remarks to the easterners. He warned, however, that there were plenty of challenges along the way.

"You must make your respective countries capable of (membership) and we must make the European Union capable of receiving you," he said.

Monday's meeting, the first of its kind at such a high level, was to touch on issues ranging from attitudes to the war in former Yugoslavia to the harmonisation of standards.

Although both sides are

agreed on the need to bring the East in to the Union, differences exist over timing and the process.

Poland indicated last week it did not want to begin preparing itself for the EU's single market until it had been given an exact date for joining.

"Until at least an indicative calendar for acquiring membership is drawn up or (formal) negotiations on membership get started, the lack of a time frame for completing those tasks will remain a serious impediment," a Polish Foreign Ministry paper noted on Oct. 24.

Hungary, meanwhile, has said it wants to join by the end of the century and has argued against the East being treated as a single bloc to the harmonisation of standards.

Although both sides are

Tamil king-maker joins Sri Lankan cabinet

COLOMBO (AFP) — A minority Tamil leader with a decisive vote bank Monday announced that he was joining the government of Prime Minister Chandrika Kumaratunga ahead of next month's presidential elections.

S. Thondaman, a former minister who leads the Ceylon Workers Congress (CWC) trade union, will be the minister of tourism, a portfolio he held under the previous United National Party (UNP) regime.

"Yes, I will be taking up the Ministry of Tourism. The ceremony will take place either tonight or tomorrow," Mr. Thondaman said. His CWC has a membership of nearly half a million plantation workers.

The shift would boost Mrs. Kumaratunga's votes and help widen the gap between her and the main opposition candidate Srima Dissanayake, the widow of slain opposition leader Gamin Dissanayake, political analysts said.

Mr. Thondaman had for over 17 years supported Mrs. Kumaratunga's rival UNP and his defection was seen here as a serious blow to the faction-ridden opposition, now led by former Premier Ranil Wickremesinghe.

With the Sinhalese majority divided almost equally between the UNP and the PA, the block vote of Mr.

Thondaman is considered crucial because the winner at presidential polls must receive a clear 50 per cent of the ballots.

Sri Lanka's opposition Monday invited two top Indian experts to probe the slaying of its leader and presidential candidate, Gamin Dissanayake, as a "battle of the widows" got underway with a smear campaign.

Widow Srima Dissanayake who is now challenging Mrs. Kumaratunga — herself a widow — in the Nov. 9 general elections named two Indians to join a government investigation into Monday's assassination.

Justice Minister G.L. Peiris said the UNP was issuing leaflets saying Premier Kumaratunga employed separatist Tamil Tigers rebels to kill Mr. Dissanayake and that her visit earlier this month to Singapore was to "fix up things."

"Very undignified remarks have been made about the prime minister at the funeral (Saturday). Offensive language has been used... This is a total violation of election law," Mr. Peiris said.

UNP legislator Sarath Amunugama hit back saying that their supporters were being assaulted by the government for putting up white flags to mourn the death of Mr. Dissanayake and their advertisements were being censored.

"Our people are being hammered by goons squads, led by government MPs. This is a violation of their freedom to express sorrow," Mr. Amunugama told reporters here Monday while announcing the relaunch of their campaign.

Mr. Dissanayake's UNP

had accused the LTTE of carrying out Monday's suicide bombing, but Mrs. Kumaratunga said it could be the result of a "plain and simple feud" within the opposition and an inside job by the UNP to gain a short-term advantage.

The LTTE Monday showed a video clip taken 10 days earlier at another rally of Mr. Dissanayake clearly showing a woman, almost identical to the suicide bomber, sitting in the audience, apparently carrying out a trial run for the assassination.

A family member said they handed the video to the National Intelligence Bureau and the Criminal Investigations Department and it was also shown to surgeon Narendra Wijenarane who confirmed it was the same woman who killed Mr. Dissanayake.

Members of the Tigers have denied involvement but defence and military authorities are convinced that only the LTTE, which is fighting for independence, have deadly suicide bombers in the region.

Mrs. Kumaratunga went on national television Sunday night, accusing the UNP of fostering a culture of violence in politics and said the Liberation Tigers of Tamil Eelam were allowed to flourish under the UNP's 17-year rule.

Croatia Serbs intervene in Bosnia; Serbs fire at Sarajevo suburb

SARAJEVO (Agencies) — Croatian Serbs shelled a Muslim-held area of northwestern Bosnia and massed troops on the border to relieve pressure on their Serb brethren facing an offensive by the mainly Muslim army, U.N. sources said Monday.

Government forces Monday pursued their offensive on the western front and have now taken 250 square kilometres (100 square miles) of territory in their biggest success against the Bosnian Serbs since the beginning of the war 30 months ago, said a U.N. Protection Force (UNPROFOR) spokesman.

Croatian military experts believe the Krajina Serbs, who control a quarter of Croatia, have an 37,000-strong army. The only point of entry from Croatia into Bosnia has been closed to the U.N. since Friday, according to U.N. officials.

This is not the first time Croatian Serbs have intervened in the Bosnian conflict.

Earlier this year, they shelled government positions in support of a secession bid by a breakaway Muslim regional leader whose military campaign against Sarajevo has since been crushed.

Elsewhere on the western front, the confrontation line continued to move southwards and has now reached the vicinity of Kulen Vakuf, also on the Croatian border.

In the northeast, a sudden increase in machine gun and small arms fire Monday at dawn seems to imply that infantry action is taking place in the town of Bosanska Krupa, he said.

Meanwhile, in the Sarajevo sector, fighting continued Monday east of the Mount Igman demilitarized zone (DMZ) after government forces had captured high ground from which they can bombard a Serb-controlled main road.

In Zabok, a U.N. source said separatist Croatian Serb troops were massing along the eastern border with Bos-

Serbia.

When the offensive began Saturday, Serb forces

appeared to have retreated

back the Muslim-led govern-

ment troops who have scored unprecedented gains in an offensive over the past week.

Mr. Karadzic told a crowd of some 1,000 people in Bosanski Petrovac that the Bosnian Serb Army (BSA) would launch a counterattack that would stifle the Muslim offensive.

The Bosnian Serb political leader appeared in public for the first time in a military uniform, which the crowd applauded.

"I was hoping that I'll never have to wear a war uniform. But our enemy does not want peace. They want war and if they want war, they'll have it," Mr. Karadzic said in front of the town hall.

Local authorities said the crowd was made up of refugees who were forced to flee in the face of the Bosnian government army thrust out of the northwest Bihać enclave.

The Muslim-led Bosnian government army has forced Serbs off conquered territory over the past several days east and south of the Muslim enclave of Bihać, which had been encircled by Serb troops since the early days of the conflict.

The Bosnian Serbs, who control about 70 per cent of Bosnia after 30 months of war, have rejected an international peace plan that would divide up the former Yugoslav republic roughly in half between Serbs and a Muslim-Croat federation.

Mr. Karadzic said Serbs would refuse to make territorial concessions. "There can be no bargaining about Serb territories. There can be no retreat or territorial concessions if they opted for a military solution to this crisis."

Angola peace talks 'risk collapse'

LUANDA (AFP) — Government and UNITA delegates warned Monday that marathon peace talks were in danger of collapsing, as a U.N. deadline for the end of the negotiations passed amid reports of renewed heavy fighting between the two sides.

At the scheduled end of the 11-month-long talks in the Zambian capital Lusaka, set for Monday by U.N. special representative Alioune Blondin Beye, the National Union for the Total Independence of Angola (UNITA) said the peace process "was in danger of coming off the rails."

According to the rebels' Radio Vorgan monitored in Luanda, UNITA accused Angolan authorities of trying to "decapitate" the movement by military means by "setting traps" for its fighters.

Meanwhile, the pro-government press noted that the talks were "in danger."

"There has been no progress in the final phase of discussions, which offers no guarantee" that the Lusaka protocol for a peace accord will be approved, the Journal de Angola said Monday.

The government and UNITA delegations were each waiting for the other to "soften its stance," the newspaper said, while national radio added that the gap between the two sides had widened.

Sources in Luanda said that the personal security of UNITA leader Jonas Savimbi was the main obstacle to an accord, with a draft agreement on that issue having failed to specify the number of bodyguards to which the UNITA leader would be entitled at the accord's signing ceremony.

Mr. Blondin Beye said Friday prior to leaving Luanda for Lusaka that he was doing everything in his power to conclude the negotiations by Monday.

In parallel to news of the widening split at the negotiating table, the Portuguese agency Lusa reported violent clashes Monday between government and UNITA forces in the oil town of Soyo, capital of the country's northern Zaire province.

Members of the Tigers have denied involvement but defence and military authorities are convinced that only the LTTE, which is fighting for independence, have deadly suicide bombers in the region.

Mrs. Kumaratunga went on national television Sunday night, accusing the UNP of fostering a culture of violence in politics and said the Liberation Tigers of Tamil Eelam were allowed to flourish under the UNP's 17-year rule.

Quoting diplomatic sources in Luanda, Lusa said in a report out of the Angolan capital that Soyo, held for the last 18 months by UNITA, had fallen to government troops.

According to fleeing civilians, government forces landed at Soyo to support ground forces that had entered the town.



Residents of the Macedonian capital light candles in a city park to protest the irregularities which occurred during the first round of general elections despite opposition calls for a poll boycott (AFP photo)

Ruling coalition wins Macedonia election

SKOPJE (AFP) — Macedonia's governing left-of-centre coalition won a large majority in the second round of legislative elections, a news report said Monday.

According to estimates broadcast by independent television network AI, the Alliance for Macedonia won 85 of 110 seats up for grabs in Sunday's polling, which was marred by an opposition boycott call.

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Late step answers nothing

THE AGREEMENT between Israeli Prime Minister Yitzhak Rabin and PLO Chairman Yasser Arafat to relax the border crossing from the Palestinian territories to Israel is a positive development but it may have come a bit too late for thousands of Palestinian labourers. Mr. Rabin made this conciliatory gesture during the opening session of the Casablanca conference on economic development for the Middle East and North Africa in a bid to improve the prospects for the economic development of the West Bank and Gaza Strip. The hangup in this seemingly positive step by Israel is the fact that the Israeli government has taken what Rabin called a strategic decision to replace Palestinian workers with foreign labourers. The number of people contracted by Israel to come to the country for work in place of Palestinian workers is not known. Conservative estimates put the number at several thousand. This means that even when Palestinians are able to cross into Israel they are likely to find their positions filled by others. Be that as it may, the Palestinians cannot count forever on employment opportunities in Israel. The Palestinian National Authority (PNA) will have to revamp its economic policies either by creating job opportunities within the Palestinian territories or by linking the economy of these territories with its Arab neighbours. As a long-term policy, the PNA will have to make a choice between putting all its eggs in the Israeli basket or reestablish its traditional links with the Arab World. It should be clear by now that the PNA relationship with its Arab neighbours is not exactly what it should be. Egypt is too far removed from the Palestinian territories to make much difference. There is hardly any trade if at all with Syria or Lebanon. As for the relationship with Jordan, we all agree there is more to be desired especially after Arafat apparently opted to connect with Israel rather than with Jordan on economic and financial issues. This calls for real statesmanship on the part of the Palestinian leadership, something that has yet to manifest itself in relation to Amman. Meanwhile Palestinian workers will have to suffer economically and pay the price of ill-conceived economic and political policies. Most probably extremist forces will be the sole beneficiaries of this state of affairs. It is doubtful that the Casablanca conferees would be able on their own to solve the economic woes of the Palestinians. As long as the structuring of the economic development of the West Bank and Gaza Strip is leaning in the wrong direction, no amount of investment whether induced by the international community or otherwise would be able to address the problem.

ARABIC PRESS COMMENTARIES

THE MIDDLE East and North Africa economic conference in Casablanca should be remembered as the event that marked the advent of the new Middle East order and one that declares the end of the Arab League, said Taher Adwan, a columnist in Al Dustour daily Monday. Indeed, when the Arab League marks its 50th anniversary next March it will appear to the Arabs as an institution that has become devoid of any meaning, said the writer. The Casablanca meeting, he said, will herald the end of the Arab countries' boycott of Israel and is bound to lay the foundation stone for Israel's official economic and geographic existence within the Arab World and in the Middle East region.

A COLUMNIST in Al Ra'i daily criticised Parliament members who chose to boycott an address to Parliament by U.S. President Bill Clinton in the past weeks saying that they lost the chance to present their own views to him and the world at large. Of course, by absenting themselves from the session, these deputies were trying to display their opposition to the peace treaty with Israel, but it was a negative move not in the interest of all the opponents of all the peace treaty, said Hazem Mubayyed. The writer said that Jordanian voters had elected these deputies to speak for them in Parliament and express their views, but they disappointed these voters by refusing to confront the U.S. President with the people's demands, he added. Furthermore, reports or rumours about deputies threatening to resign from Parliament bring further disappointments to the public since resignation means abandoning the electorate and allowing the House to remain passive with no voice to express opposition, said the writer. He said that the government has pledged to listen to the opposition and it is in everybody's interest to retain this opposition in the democratic system.

Closure of An Nahar is blow to freedom

By Bassam Eid

WITHOUT THE freedom to express one's opinion, there can be no human dignity. If this freedom is not respected, fundamental rights are violated. The recent decision by Yasser Arafat, chairman of the Palestine Liberation Organisation (PLO), to ban distribution of the newspaper "An Nahar" in the territories under Palestinian authority is a serious violation of human rights and a blow for the chances of democracy in a future Palestinian state. This decision is all the more worrying since, in our modern society, the press plays a vital role in the fight for human rights.

We still are unsure of the reasons for banning "An Nahar." From the roof-top terrace of his official residence, Chairman Arafat can survey the whole of Gaza City. This is an administrative problem according to him, to be solved once An Nahar is granted a distribution licence. On the other side of the mountains, in the city of Jericho, Jibril Rajoub, head of Palestinian security, claims that An Nahar will never again be allowed to be published. In between the two men is Yasser Abed Rabbo, Palestinian minister for communications. Mr. Abed Rabbo uses meaningless words to quieten things down and claims not to have been consulted about

Open letter to Arafat

said nothing. When I called to find out why they were silent, I was told that the association ceased to exist a year ago.

To be frank, this ban came as no surprise to me. What did astonish me, though, was the speed with which you have acted. The ban was imposed only a fortnight after you arrived in Gaza. Fast work. I am equally certain that nobody will persuade you to reverse your decision.

I do not know whether the Palestinian people, at this stage of awakening of their nation, is aware of the importance of a free and independent press. I cannot understand why the daily Al Quds has kept quiet about the ban on An Nahar. Perhaps Al Quds has never got over the rivalry between the two publications since An Nahar first appeared in 1987? If it is interested in maintaining a free and independent Palestinian press, Al Quds should have protested about the ban on An Nahar.

I have not yet heard anything out of the Palestinian human rights defence organisations on this subject and I find their silence shocking. I ask them this question: For how much longer will you keep this immoral silence? International associations have already found the time to protest, but you have said nothing. How can that be explained? Like you, the Association of Palestinian Journalists has

nothing. When I called to find out why they were silent, I was told that the association ceased to exist a year ago.

The ban on An Nahar is a taste of things to come — we should expect other violations of our rights. It is clear that it will be difficult, if not impossible, to list every violation of human rights and protest against them if we are deprived of an independent press open to all those wishing to express themselves freely, without feeling the threat of a sword of Damocles of repression hanging over them.

Editorials in the European press have condemned the ban on An Nahar. The question some of them raise seems rather naive: "Is this the new era we heard so much about?" I do not think that such public statements are very effective.

I do not believe that grassroots work is that powerful. I doubt that European editorials can influence our leaders.

If this is indeed the new era we were promised, please note that I am one of those Palestinians who enters reluctantly, dragging my feet.

The writer is a Palestinian journalist and human rights activist. The letter is reprinted from a newsletter published by Reporters Sans Frontières.

India: an accelerating economy with plenty of room for growth

By James K. Glassman

WASHINGTON — The 1989 revolution that razed the Berlin Wall seems to have had more profound economic effects outside Russia and Eastern Europe than inside. Capitalism and free markets are suddenly taking hold in China, Vietnam, Latin America and, perhaps most promisingly of all, India.

In 1991, India's economy hit a brick wall. Protectionist policies that had limited imports and exports were precipitating a disaster. The prime minister, P.V. Narasimha Rao, had few choices, so he cut taxes and opened India up to foreign trade and capital.

Today, despite poverty, financial scandals and political violence, India's growth is accelerating, and it is attracting money from abroad. U.S. companies invested more in India in 1992 and 1993 alone than they had in the previous 40 years. Ford, which now sells no cars in India, last week announced a joint venture with Mahindra & Mahindra and will begin manufacturing soon.

India is now the third-largest economy in Asia and the 12th in the world. But more important is its potential for further growth — with its 900 million people, 150 million of them middle-class and well educated. Some 25 million Indians own stocks, and despite the stifling bureaucratic entrepreneurship has deep roots.

Released from government restrictions, Indians are showing that they can innovate like crazy. A good example is cable television, which is completely unregulated. As a result, Bloomberg Business News reports, there are now 60,000 independent cable operators delivering 15 channels of programming to 10 million Indians using wires strung hastily between apartment blocks.

Foreigners still cannot buy stocks directly in India, but it is now easy to bet on the country's prosperity through mutual funds. One closed-end fund, India Growth, was started in 1988 and has returned an average of 19 per cent annually since then.

Three more closed-end funds and one open-end fund were launched this year, and their managers have lots of choices. The Bombay Stock Exchange, founded in 1875, lists 3,263 companies — 50 per cent more than the New York Stock Exchange. And India has 21 other exchanges with an additional 4,000 listed companies.

More shares are coming to market all the time. This week the government completed the sale to the public of minority interests in seven state-owned companies, including Indian Oil Corporation, which refines most of the country's oil and is one of the 500 largest firms of any sort in the world.

One hot stock owned by

all five of the U.S. mutual funds that specialise in India is Reliance Industries, a petrochemical company that is one of the world's 10 largest makers of polyester. Last week, Reliance announced that profits for the first half of 1994 had risen 146 per cent, to \$163 million. Its chairman, Dhirubhai Ambani, is considering \$6 billion investment in telecommunications.

Other attractive stocks cited by David Tripple, who manages Pioneer India, the only open-end fund, are Tata Iron and Steel; Ballarpur Industries, India's largest paper producer; Great Eastern Shipping, a cash-rich company; and JCT Ltd., a manufacturer of textiles and synthetic fibres with a price-earnings ratio of 10.

Pioneer India managers are so high on India that the country's shares represent the second-largest holding in its Emerging Markets Fund, just behind Hong Kong and ahead of Mexico, Indonesia and Thailand. India is "like a very large ship," Mr. Tripple told me in an interview in his office in downtown Boston. "It turns slowly. Most emerging markets are like small sailboats. They can make quick turns, but they can also be blown over."

One worry with a single-country open-end fund such as Pioneer India is that if stock prices suddenly drop, investors could panic and demand redemption of their shares. The fund manager

might be forced to sell into a thin and sharply declining market.

Mr. Tripple recognises the risk, but he notes that Pioneer has experience running open-end funds in even thinner markets, notably Poland. Pioneer's fund there has attracted 400,000 Polish investors; its value tripled last year.

Closed-end fund carry their own risks, mainly that the market will sour on a country and drive shares far below their "net asset value" — that is, the actual price of the stocks in the portfolio.

At the end of September, the India Fund was trading at a discount of 15 per cent, and the two other new funds — Morgan Stanley India Investment and Jardine Fleming India — were trading at discounts of 6 to 7 per cent.

Jardine Fleming closely tracks the Bombay Stock Exchange Sensitive Index, which is dominated by large companies such as Tata and Reliance. "The fund's focus on industrial stocks ... has clearly paid off handsomely," says William Dimming of Paine Webber Inc., who recently recommended Jardine to clients.

Mr. Tripple's fund uses a "top-down" approach, he told me. "If sugar quotas come off, what happens?" He looks for companies that will benefit.

The Washington Post.

LETTERS

are being violated, but rather because NTC believes that the legal basis upon which the TCC awarded the tender is at odds with their bidding requirements.

NTC is filing a lawsuit against the Jordanian government and the Telecommunications Corporation (TCC) because NTC believes that neither the government nor the TCC are abiding by a set of rules and regulations which they established. In the prequalification for bidding, several documents were required by the TCC. Jordan Mobile Telephone Services was unable to supply all the necessary documents. Under all "normal" tendering procedures JMTS would have been disqualified.

The TCC was directly asked about bidding qualifications in a pre-bid conference. The TCC confirmed in writing to all conference attendees that all bidding parties should abide by Jordanian law in all its aspects. The main case in point, therefore, is not the Arab Boycott or any regulation, but rather the credibility of the TCC and the application of Jordanian laws. NTC believes that the TCC mislead other bidders by stipulating applicable law but not abiding by such laws.

Ismail Bazian,
National Telecommunications Company (NTC),
Amman

JORDAN TIMES, TUESDAY, NOVEMBER 1, 1994

Croatian Serbs to get autonomy under new plan

By Mark Heinrich
Reuter

ZAGREB — An international peace plan for Croatia would reintegrate rebel Serbs by granting them local autonomy with their own assembly, flag and money, diplomats say.

Details of the politically charged blueprint have not been completed.

The U.S., Russia, U.N. and European Union (EU) ambassadors drafting it have refused comment on a flood of speculative media reports in Croatia on its contents.

But the thrust of the plan, meant to overcome a chronic impasse in negotiations before war flares again, seems to be a balance between the separatist urge of the Serbs and the rigid centralism of Croatia's right-wing nationalists.

If successful, it would crank up pressure on separatist Serbs in neighbouring Bosnia to accept a big power peace plan already on the table for months, restoring peace across old Yugoslavia, diplomats hope.

The plan is intended as a foundation for serious negotiations. It will not be a "take it or leave it" package like the Bosnia's "consolidation group" plan, diplomats say.

Eastern Slavonia boasts oil and rich Danube basin farmland which the Serbs will be loath to give up.

The region has also been resettled by non-Croatian Serbs and virtually absorbed by next-door Serbia, unlike the Knin region which lacks a common border with Yugoslavia.

Hundreds of thousands of refugees forced to flee by militants of both sides in the conflict would also be gradually repatriated under the plan.

It is also believed to envisage allowing Krajina Serbs their own flag, special passport and currency, the name of which would be different from Croatia's but equal in value and issued by the central bank in Zagreb.

Croatian-Serb normalisation talks resumed on Thursday under U.N.-EU auspices after a seven-month suspension but they were to focus only on trade issues to build on a March ceasefire that ended two years of fighting.

Serbs in the breakaway Croatian enclave of Krajina are now under pressure to negotiate seriously for the first time because Belgrade, keen to have U.N. sanctions lifted, has told them to accept autonomy within Croatia.

Croatia will resist the idea of a second flag and currency within one country — "a stage within a state" as Zagreb ministers already offended by the plan put it.

"Croatians are not comfortable with regional autonomy. It smacks of federalisation which is a dirty word in former Yugoslavia, implying the right to secede," said a diplomat.

Previous autonomy deals in Europe inspired the plan put out that right, though."

A dream comes true

To the Editor:

A DREAM has come true. As a teacher, I would very much like to extend my appreciation and gratitude to His Majesty King Hussein who always sought to map the destiny and ambitions of his nation. The King's directives to the Ministry of Education to better the life of its employees and to allocate JD 20 million for the housing projects reflect the King's foresightedness and appreciation of the intellects.

The Ministry of Education seeks to achieve the upgrading of its teachers academically and professionally. But, unfortunately, the ministry contributed less to the recreational activities. It is thanked for its endeavour to bring to existence the first teachers' club, which is located in western Amman. As a resident of eastern Amman, I would question the ministry for not setting up other clubs at various parts of Amman. I could proudly challenge the ministry that the majority of teachers do not know the whereabouts of its only club.

We hope that our ministry realises the fact that teachers living in Eastern Amman will be very grateful to witness the founding of new clubs in their districts.

Khader Al Atrash,
Amman.

The Jordan Times welcomes letters and contributions from its readers on any subject they wish to tackle. Letters intended for publication, however, should contain the writer's full name and preferably address as well. Names can be withheld only upon request and under special circumstances. Letters are subject to editing. The newspaper is not responsible for the return of unused manuscripts.

Feature
Jordan

Features

Jordan envisages free trade area between Atlantic and Gulf

Following is the full text of an address delivered by His Royal Highness the Crown Prince Hassan at the opening plenary of the Middle East North Africa Economic Summit in Casablanca, Morocco, on Sunday:

**Your Majesty,
Distinguished Guests,
Ladies and Gentlemen**

It is a great honour for me to address this eminent gathering here today. I would like in particular to express my appreciation to His Majesty King Hassan II for hosting this summit and to both President Clinton and President Yeltsin for their support and endorsement.

A "new Middle East/North Africa region" requires new thinking. Recent political breakthroughs offer fresh perspectives. The challenge now is to move to effective action. In today's world this cannot be done single-handedly by governments. The successful transition from peace to prosperity requires a new trilateral partnership between governments, the private sector (including NGOs) and international as well as regional institutions (both financial and developmental).

In the Treaty of Peace recently signed between Jordan and Israel, there is a commitment to the creation of a CSCME (Conference on Security and Cooperation in the Middle East) along the lines of the Helsinki process. This process has four dimensions: firstly security; secondly economics, science and technology and environment; thirdly humanitarian and related fields; and fourthly follow-up.

Steady progress on all these fronts in our region evidently depends on the three pillars of government, the private sector and international and regional institutions. Only through such a partnership

is it possible to ensure the withering away of conflict, of extremism and of regional apartheid between the haves and the have-nots.

The multilateral track of the Middle East peace process, with its four dimensions of human co-operation, resource co-operation, security and the steering committee, is an embryonic process for security and co-operation.

That is one reason why Jordan has energetically supported the multilaterals from their inception. Your summit here today is another building block towards that end. The follow-up will be in Amman next year, by which time appropriate mechanisms will hopefully be in place.

Our work in this summit naturally complements that of the five multilateral working groups that deal with refugees, regional economic development, water, environment and regional security and arms control. Amman will be the venue for the next meeting of the Regional Economic Development Working Group (REDWG) in May or June of 1995. During that meeting, we plan to explore additional ways for integrating the private sector in the work of the multilaterals.

Each nation has to evolve its appropriate model. Common features or prerequisites are: good macroeconomic management and broadly based educational systems.

Dear Friends,

Speaking of investment climates, I can assure you that Jordan is committed to expanding its programme of free-market reforms. According to the EU, Jordan is the most advanced country in the region in implementing market-oriented economic reforms. As an emerging market, it has the largest stock exchange in the Arab World. We are developing a progressive, transparent regulatory system. We are privatising our economy, and already more of Jordan's industry is in the hands of private investors than ever before. We encourage foreign investment. And we plan to work closely with the private sector to identify priorities for improvement in all these areas.

Ladies and Gentlemen,

Our vision is a Middle East without barriers where private enterprise becomes the engine of growth. The free movement of goods, services, capital and labour is our aim. A free trade area and eventually a common market from the Atlantic to the Gulf will make North Africa and the Middle East one of the fastest growing areas in the world. This region has a combined population of about 250 million people and a total GDP of \$380 billion. By including Turkey and possibly Iran, the market size would increase to 370 million people with a

GDP of \$800 billion. Through dismantling existing barriers, the Middle East and North Africa can become full members in the rapidly evolving global economy.

Moving on to the role of the private sector, a recent Interfaith Declaration, which I have had the privilege of participating in, has stated that,

"There is no basic conflict between good business practice and profit making. Profit is one measure of efficiency... It is from the profit of companies that society can reasonably levy taxes to finance its wider needs."

This Declaration of a Code of Ethics on International Business for Christians, Muslims and Jews identifies the common basis of religious and moral teaching among the Peoples of the Book. They are: justice, mutual respect, stewardship and honesty. This Code of Ethics is recommended to leaders of international business whether followers of the three monotheistic faiths or not. Copies are available during this conference to those interested.

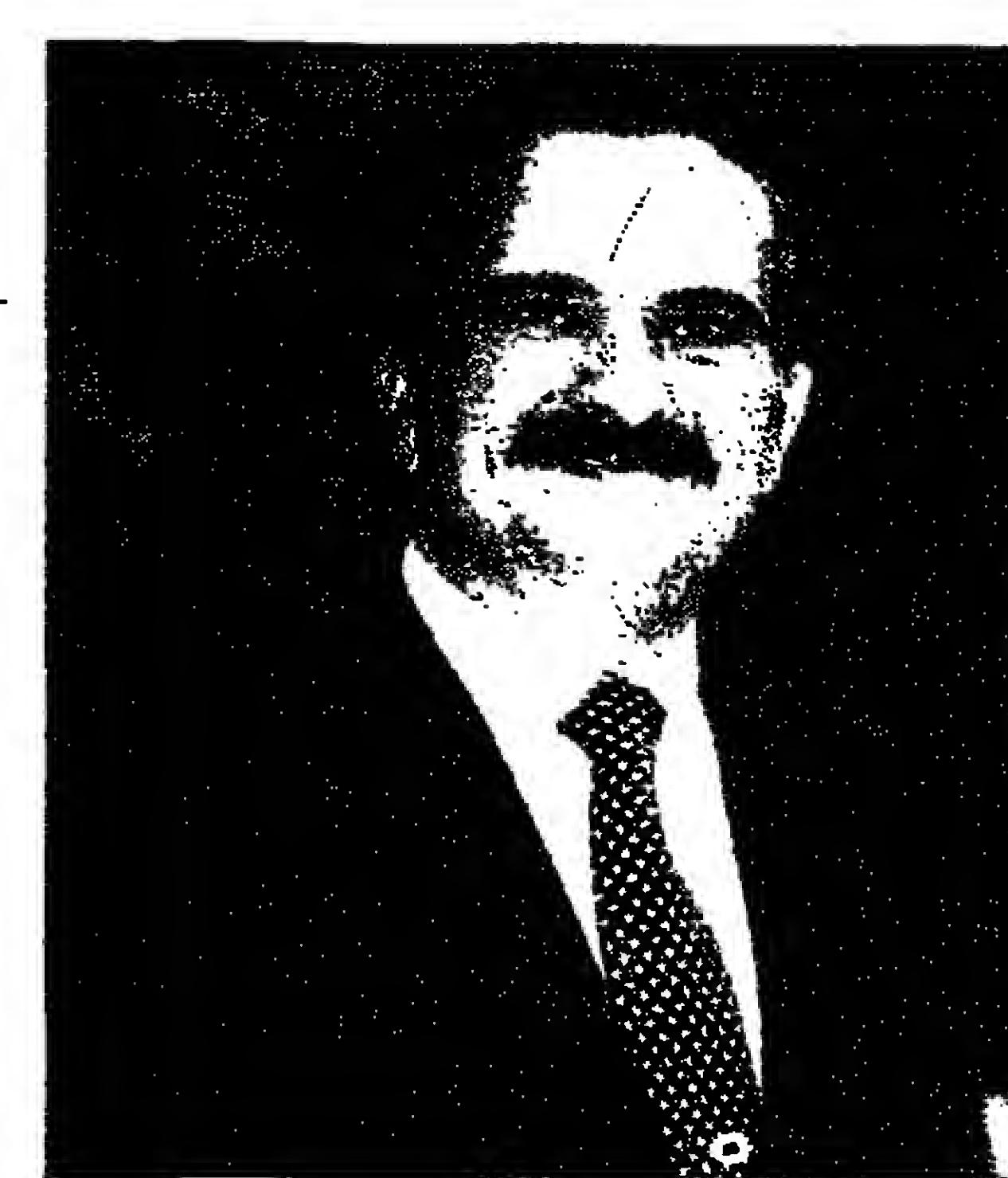
The key issue is not to be snowed under by too many unnecessary details, but to get the policy fundamentals right. Selective interventions should be based on market friendly economic policies. Scholars of the so-called Japanese or East Asian Miracle have concluded that there is no single uniform blue-print for success.

Each nation has to evolve its appropriate model. Common features or prerequisites are: good macroeconomic management and broadly based educational systems.

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Many of the regional projects tend to be of an infrastructural nature. This infrastructure for peace can be provided through innovative approaches that rely on the private sector in terms of financing, construction, operation and even ownership. The mag-



Ladies and Gentlemen,

In recent years the flow of private capital to the developing world has outweighed that from official sources. Private flows reached \$103 billion in 1992 and \$113 billion in 1993.

The globalisation of capital markets spurred by technological innovations and the dismantling of official barriers have led to a dramatic shift in emphasis from official to private flows.

Though government transfers to government transfers have a key role in peace building in the Middle East, the private sector, both regional and international, is expected to have an expanded scope.

Infrastructure can deliver major benefits in economic growth, poverty alleviation, and environmental sustainability — but only when it provides services that respond to effective demand and does so efficiently."

A number of principles are recommended by the World Bank to avoid past mistakes: firstly "manage infrastructure like a business, not a bureaucracy"; secondly "introduce competition"; and thirdly "give

nitude of investment is expected to be substantial. Investments totalling \$25 billion over the next ten years in the Jordan Rift Valley alone are being mentioned.

But as lessons from other developing regions have shown, quality is more important than quantity. The main messages of the World Bank in its 1994 World Development Report stress the need for public-private partnerships in financing infrastructure and if I may quote the report:

"Infrastructure can deliver major benefits in economic growth, poverty alleviation, and environmental sustainability — but only when it provides services that respond to effective demand and does so efficiently."

The celebrations in Madrid earlier this month for the 50th anniversary of the Bretton Woods twins have taken place while, according to some reports,

"The G-7 has its knives out ready to perform surgery on both the IMF and the World Bank". The Banker.

My purpose here is certainly not to criticise or defend these institutions, with whom we in Jordan have had a long-standing beneficial relationship. I leave that to the "wise men" of the Bretton Woods Commission. But concepts for new regional financial

institutions should fully recognise the lessons of the last fifty years.

In addition there is a need for new thinking within the international financial institutions to facilitate public-private partnership in peace building. These financial institutions have a leading role to play not only as financial intermediaries, but also as catalysts in the evolution of existing regional institutions and the establishment of new ones. Their work needs to be closely co-ordinated at the regional level with other U.N. institutions and the NGOs. Closer coordination is essential for providing a healthy human, political and social climate.

I do not wish to overburden the allotted time. Your Majesty, but ESCWA (the Economic and Social Council for West Asia) covers only part of the region under discussion in this summit. The countries of North Africa fall under ECA (the Economic Commission for Africa). Turkey is a member of ECE (Economic Commission for Europe). And lastly Iran is a member of ESCAP (the Economic Commission for Asia and the Pacific). This indicates a fragmented U.N. institutional framework which has to be addressed in any vision of a new Middle East and North Africa.

The operation and management of existing and new financial institutions should reflect this regional vision as well as the interests of the main shareholders in this new venture.

It has been remarked that the Middle East is possibly the only region in the world that does not have a regional development bank. But filling the lacuna requires also a revision of the investment and cost-benefit criteria to reflect more closely the new regional agenda. This needs a new political will, both inside and outside the

region, for shared growth and prosperity. In response to this, President Clinton, during his recent visit to Jordan to witness the signing of the Jordan-Israeli Treaty of Peace, has endorsed the establishment of a regional development bank for the Middle East.

This is not a call for inefficiency or the waste of resources or charity. Rather it points to the need for a new regional ethos. The report of the secretary-general of the U.N. on "an agenda for peace" has pointed out that global defence expenditures at the end of the last decade had approached \$1 trillion a year, or \$2 million per minute. A few days worth of such expenditures can deal for example with the human legacy of conflict through an integrated human resource development at the regional level. The Middle East has been the major market for international arms supplies, and the theatre for massive human suffering.

The UNDP administrator, Mr. James Gustave Speth, has stated in the 1994 Human Development Report,

"Sustainable human development is development that not only generates economic growth but distributes its benefits equitably... that empowers people rather than marginalising them."

We all share in the responsibility: governments, the private sector and regional and international institutions. Let us all join forces together in the task ahead. I hope to see you all again next spring in Amman where we can evaluate progress and redouble our efforts in promoting prosperity, security and cooperation throughout our region. This is a first step in the long, and hopefully rewarding, journey of building peace.

God bless you all and thank you.

Casablanca summit gets down to business

(Continued from page 1)

support expansion of the private sector by increasing productivity, making available Canadian expertise and helping to liberalise the region's economies. About 70 per cent of the funding will come from Canadian companies.

— Mr. Arafat promised international businessmen full guarantees if they invested in the Palestinian self-rule areas.

At a lunch hosted by the Palestinians, Mr. Arafat told international businessmen: "All the guarantees you need will be there."

"I will give you maximum guarantees. We are in need of you very quickly."

Mr. Arafat has repeatedly complained that the World Bank has released less than 10 per cent of the \$720 million in emergency funding promised by international donors for 1994.

The bank has demanded clear accountability from the Palestinians before it unblocks the funds.

Mr. Arafat told the story of an Arab Bank to illustrate his willingness to allow investors complete freedom of operation in the autonomous areas.

Palestinians rushed to invest \$15 million in the first week in the bank, which then invested all the money abroad.

Mr. Arafat said his ministers asked him to take action. "It was not easy but I let them go," he said.

The Palestinian delegation is looking for finance for urgent infrastructure projects in the cash-strapped Gaza Strip. "We are poor, we haven't a lot of oil, of gold, but we are rich in ideas," Mr. Arafat said.

"This is virgin land and we can do a lot with it. Between another Somalia or Singapore, it will be Singapore with your participation."

Mr. Arafat's message was mainly to Palestinian businessmen at home and in the diaspora, on whom he said he could depend.

"Your homeland is in need of you. Your children need you."

"But don't come alone, we need your friends and then we can have not just Palestinian businessmen but joint ventures."

Mr. Rabin and Mr. Arafat, who met Sunday before the opening of the conference, found some common ground.

Christopher urged Arab leaders to follow the lead of Saudi Arabia and five smaller Gulf countries that already have eased the boycott.

The four main points of the U.S. proposal would:

— Facilitate the movement of goods, labour and ideas across the borders of the Middle East and North Africa.

— Set up a committee of experts to structure a regional bank for economic cooperation and development. It should be available for both the public and private sectors.

— Establish a regional business council or chamber of commerce to promote trade and commercial opportunities.

Along the way, Mr. Christopher said, the nations of the area should end trade restrictions and modernise their tax and legal systems.

"And they must lift the heavy hand of government regulation that stifles entrepreneurs," he said.

The summit is to announce the creation of a regional development bank and tourism office in a final declaration here Tuesday.

The joint declaration says participants pledge to examine the creation of a multilateral financial mechanism ... including a Middle East development bank to facilitate both private and public investment."

A steering group of government representatives would be set up to encourage economic cooperation and development, and follow up issues raised at the Casablanca summit.

It would report to participating governments within six months for the creation of a regional development bank, the declaration said.

An executive secretariat to assist the steering committee would be set up in Morocco and would also help to organise a regional business council.

The declaration also announces plans:

— For a regional tourist board to promote the Middle East and North Africa.

— To build the foundations of an economic com-

munity "which involves, at determined state, the free flow of goods, capital, and labour throughout the region."

To encourage the creation of a private sector regional business council to "facilitate intra-regional commercial and trade relations."

Participants recognised that future "movement toward a comprehensive peace in the region needs to be powerfully reinforced by solid economic growth and the palpable improvement of the life of the people in this region."

They "united behind the vision that brought them to Casablanca — a new partnership of business and government dedicated to furthering peace between Arabs and Israelis."

It said there was an "urgent need for economic development" for Palestinians in the West Bank and autonomous Gaza Strip that requires "special attention from the international community, both public and private."

The proposed natural gas project is one of 150 Israel has brought to the summit.

Qatar, which has no diplomatic ties with Israel, is a member of the Gulf Cooperation Council (GCC) which a month ago lifted the indirect boycott affecting companies dealing with the Jewish state.

The direct economic boycott of Israel, imposed in 1951, remains in place.

But that will not concern Arab businessmen at the conference, said one Qatari executive.

"To be frank, the boycott is on its way out; it is just a matter of officially announcing its end now," he said.

"I am sure there will be cooperation on a big scale between Israel and Arab countries soon."

"On a private level, you will see Gulf businessmen going through Jordan and the Palestinians rather than deal with Israel directly, because it is an unknown quantity for them."

Syria boycotted the conference because of the lack of progress so far in bilateral peace talks with Israel.

Organisations such as Hal-

la from South Korea, China Resources and China International Water have sent delegations to the summit here, as well as international companies like Coca-Cola and Bechtel Corporation structural engineers.

Government officials have repeatedly said here that businessmen will be at the centre of the conference. Diplomatic accords are not enough to secure peace without business ties to increase the popular stake in maintaining peace, they say.

Foreign Minister Shimon Peres led Israeli efforts to forge business links with Arab states at the summit.

Mr. Peres met with Qatari Foreign Minister Sheikh Hamad Ben Jasem Al Thani to discuss possible exports of natural gas to Israel, according to Uri Savir, Israeli foreign ministry director-general.

Qatari Oil Minister Abdulrahman Al Attiya also met with Mr. Peres "but no final decision has been taken for the moment," Mr. Savir said. "Talks will continue."

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Hidden joblessness in Russia reaching 'atrocious proportions' — ILO study

GENEVA, Switzerland (AFP) — Russia's real unemployment rate is at least eight per cent, five times the officially-announced level of a mere 1.6 per cent, the International Labour Organisation (ILO) says in a report issued in Geneva Monday.

It says that hidden joblessness continues to rise in Russia, reaching "atrocious proportions" and bringing a spectacular jump in the number of workers without resources, said Guy Standing, who was in charge of the ILO study. It was carried out over a period of a year among 300,000 employees of 400 companies based in five major Russian industrial regions.

Mr. Standing sharply criticised what he called Russian

official underestimates of unemployment and the little attention given by Westerners — especially the ones advising the Russian government and such international agencies as the World Bank and the International Monetary Fund — to employment problems.

If the situation continues, there will be a great risk of social "implosion", he said, and that could damage the Russian political balance by helping extremists.

The report says that no less than one-third of Russian factory employees are now actually the victims of hidden unemployment. Thus more than 20 per cent of them, 11 million people, are on long-term "administrative leave" — a term meaning that they

have been laid off without any remuneration at all.

The problem is most acute in the industrial city of Ivanovo, where more than 40 per cent of employees are actually on layoff, and hence do not really have a job or any remuneration, while not being officially considered unemployed, Mr. Standing said.

Another mechanism contributing to hidden joblessness is long maternity leave, practic at many companies. Almost six per cent of all women employed in industry are on maternity leave.

Mr. Standing said that makes no sense, since Russia has a very low fertility rate and there are two abortions for every birth.

He added that the percentage of women on maternity

leave reaches as much as 12 per cent in companies suffering the greatest difficulties.

Painless work is also found widely in Russia, contributing to hidden unemployment. The ILO reports says an increasing number of workers are not paid at all, while others receive only a minimum wage equivalent to \$20 a month — much less than the levels contained in their collective bargaining agreements and about a quarter of the average Russian monthly salary equivalent to around \$80.

The document stresses that 60 per cent of companies studied had chronic difficulties in paying workers, and half of them were afraid they would be driven into bank-

rruptcy within a year. Mr. Standing said young people and men suffer particularly from the vast upsets on the Russian job market, adding that the problem is not doubt related to the startling drop in Russian life expectancy, especially among men. From 65 years only about seven years ago, the figure has now fallen to 58 years for men, he said.

The plunge seems mainly due to a jump in deaths because of such problems as stress, suicides, heart attacks, etc., he said.

The ILO suggests the use of more enforceable collective bargaining agreements, obliging companies really to pay the stated salaries. They would have to resuscitate, reducing their work forces.

King Fahd apparently readying Saudis for belt-tightening

RIYADH, Saudi Arabia (AP) — King Fahd, apparently preparing his people for belt-tightening, has referred to the high costs of deploying troops to counter the threat from Saddam Hussein.

In a speech televised late Sunday, the king did not specify how the costs would be met, but the Saudis are expected to shoulder some of the financial burden of October's U.S.-led deployment of troops to counter the latest Iraqi threats.

"We have been afflicted by a peril of the devil," King Fahd said in his address to military commanders at Hafir Al Batin, the huge military base near the Iraqi border where he met President Clinton last week.

"If state bears tremendous amounts of expenditure, that

is our duty and we cannot let down our neighbours."

Saudis are convinced that, just as he prepared them for budget cuts when the price of oil tumbled, the king was now setting the stage for some drastic action in the 1995 budget now being prepared. The budget should be announced before the end of the year.

The value of the national currency, the riyal, slipped on Gulf financial markets in reaction to King Fahd's remarks. Dealers said they saw his remarks a confirmation of fresh cutbacks for the kingdom.

Since the 1990-91 Gulf crisis, the Saudi government has been doubly squeezed. Desert Shield and Desert Storm cost the kingdom \$60 billion, while income has been lower than expected because of

anemic oil prices. Saudi Arabia had to cut its current budget by nearly 20 per cent this year.

Although life for Saudi citizens remains comfortable by world standards, cuts in government spending have an impact on almost everyone in an economy dominated by the state-run oil industry.

The troop deployments by the United States and its allies to counter the movement of Iraqi troops toward Kuwait are estimated to cost between \$500 million and \$1 billion a month. The Iraqi forces retreated, but the allied troops are staying for the time being.

On his tour of the region, President Clinton urged U.S. allies in the Gulf to bear their part of the cost.

Philippine economy shows strong growth

MANILA (AFP) — All sectors of the Philippine economy showed strong growth this year, raising hopes for a sustained rebound, but it may be threatened by a rebound in inflation. Economic Planning Secretary Cielito Habito said here Monday.

He said inflation was among the issues to be discussed in fresh talks with the International Monetary Fund (IMF) in December.

Mr. Habito said in a report on the country's economic performance that 5.4 per cent gross national product (GNP) growth in the second quarter of this year "confirms the country is indeed poised for the long-sought economic take-off."

He said all three sectors of the economy — agriculture, industry and services — had showed strong growth, with all regions of the country "contributing positively to the favourable economic performance through greater in-

vestments, exports and positive growth in agricultural production."

However, the inflation rate had averaged 9.32 per cent in the second quarter even though it had since fallen to about 8.6 per cent in September.

He said this surge in prices occurred despite tight controls on money supply and monetary officials were now being forced to balance mopping up of excess liquidity with the need to maintain stable interest rates.

Mr. Habito said this "fine tuning" had kept interest rates at a little over 10-to-11 per cent with inflation rates staying at single-digit levels. He added that he inflation rate target for the year was about nine-to-9.5 per cent.

"The moment inflation reaches double-digits, then we should worry about the possible boom-and-bust (cycle) happening again," he said, referring to the wide-

spread observation that the Philippines' short surges of economic growth are swiftly followed by a prolonged downturn.

IMF Director-General Michel Camdessus, in a visit earlier this month, praised the government's economic reforms but warned that uncontrolled inflation could reverse all the gains.

The IMF official said he was impressed by the country's strong export confidence in the country, but warned that it was not the time to be complacent.

"If the impressive economic gains achieved thus far are not to prove transitory, it is important that the Philippines move quickly to the next phase of its economic transformation," he said.

He specifically decried the fact that only four per cent of the Philippines' population paid income taxes.

High imports swell South Korea deficit

SEOUL (AFP) — South Korea's current account (C/A) deficit surged to \$4.4 billion in the first nine months of the year, because of a rapid increase in imports of capital and consumer goods, according to a central bank tally.

The nine-month shortfall was almost six times the \$730 million deficit posted in the same period of 1993, the Bank of Korea said. In September alone, South Korea's current account increased to a deficit of \$585.5 million from a surplus of \$372.3 million a year earlier, raising concern among business circles, the bank said.

Habito said he did not give details of these proposals in his address at the inauguration or at a

later news conference.

The sugar cane sector, communist-ruled Cuba's main export, had until recently been off-limits for foreign investment.

Carlos Lage, a vice-president who is viewed as the architect of Cuba's economic reforms, told the opening of the annual Havana Trade Fair that from now, "no productive sector of the economy will be excluded from investment." Foreign capital."

"I" sugar production, which has always aroused a big interest, several proposals are being positively studied," Mr. Lage said.

He did not give details of these proposals in his address at the inauguration or at a

Lebanon's financial recovery builds up

BEIRUT (APP) — Beirut must recover its former status as a regional financial centre, Lebanese experts say, but first it must restructure its banking sector and set up the necessary financial instruments.

Foreign investors are returning to Lebanon in increasing numbers as the capital gets a major face-lift to remove the scars left by the civil war.

According to Jean-François Lepetit, the French vice-president of Indosuez Bank, Lebanon's main asset in the absence of natural resources and major industries is its capacity to develop financial services.

Mr. Lepetit, who visited Beirut with other French bankers, stressed that Lebanon was "not a country of risk" because the Lebanese lira had stabilised since the

end of the 1975-1990 civil war

and the country had a low level of debt.

Last month Lebanon

issued \$400 million worth of Eurobonds to finance post-war reconstruction plans.

Prime Minister Rafik Hariri

expected his country to raise

an extra \$425 million soon for

more projects.

Lebanese who fled abroad

during the conflict have

started repatriating assets

from overseas.

This has led to a \$1 billion

balance of payments surplus

for 1994, despite a chronic

deficit in the trade balance,

according to Finance Minister Fuad Siniora.

Walid Audi, chairman of

the Banque du Liban et d'Outre-Mer said Lebanese

banks lacked sufficient funds

to finance post-war projects.

The banks could only make short-term loans of up to two or three years.

Lebanon also needs modern financial instruments to acquire the funds needed for reconstruction projects, experts say.

A secondary market was set up in June and the Beirut stock market is expected to reopen within a few months with a capitalisation of some \$1.25 million plus \$1.85 billion from Solidere, the company set up to rebuild Beirut's city centre.

Meanwhile foreign banking institutions such as Indosuez are seeking to set up local merchant banks in an effort to develop the Lebanese financial market.

Sixty per cent of Indosuez Capital Middle East will be held by the French group and the rest by Lebanese partners.

sumner goods to electric power and transport. Mr. Lage said the economy was not yet recovering but it was showing some positive signs.

He cited the poor sugar harvests as a key factor in slowing progress towards improvement. But he added that positive factors included growing foreign investment on the island, an improvement in the country's internal finances and the recuperation of some sectors.

Mr. Lage said current economic reforms, which gathered pace from around mid-1993, were not aimed at creating a capitalist economy, but a planned economy with market elements.

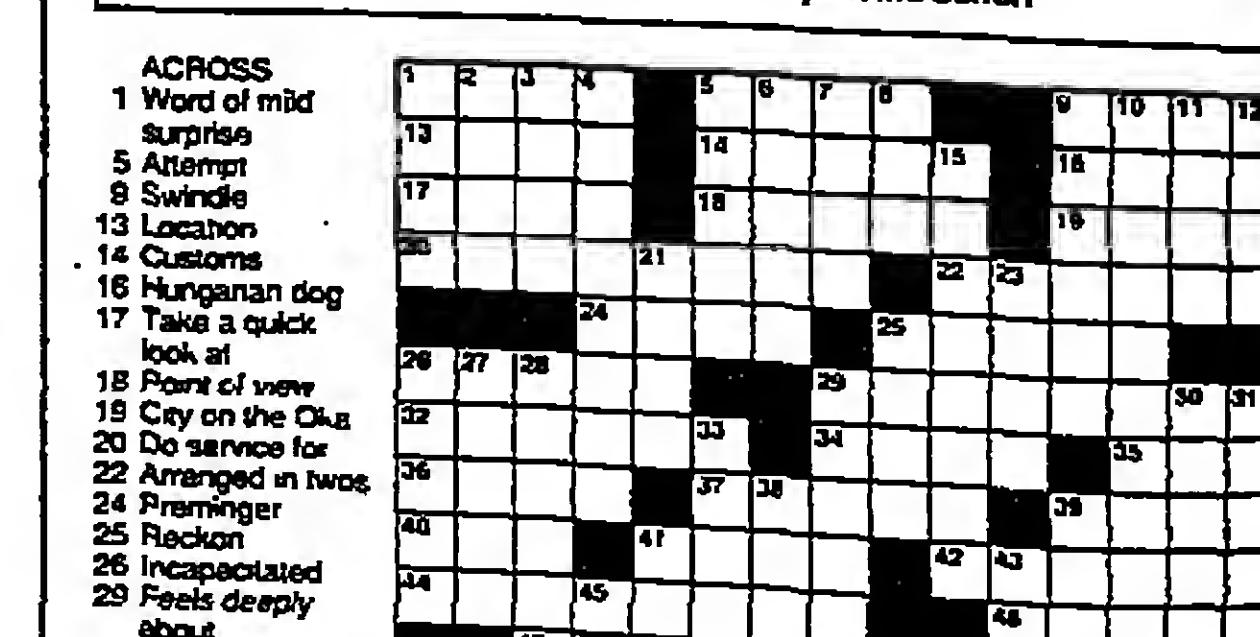
"We do not have a strategy of a capitalist development," Mr. Lage said. "It's a strategy within the socialist system."

Reforms that introduced market mechanisms to some areas of the economy "do not mean abandoning a planned economy," he added.

Mr. Lage described the reforms as being part of "an integral concept" rather than "isolated measures".

HOROSCOPE NOT RECEIVED

THE Daily Crossword by Elaine Schorr



Across:

1 Word of mid surprise
5 Attempt
8 Swindle
12 Custom

16 Hungarian dog
17 Very quick look at

18 Point of view
19 City on the Old

20 Very good
22 Arranged in twos
24 Frenzied
25 Rockin

26 Very excited
29 Feeds deeply about

30 Very well
34 Zoo resident
35 Low islands
36 Home sweet home
40 Very old; abbr.

41 Firearms
42 Square

44 City in Brazil

47 Mountain range

48 Post

52 Single über

53 Name in documents

57 Very large anvil

59 Alone

60 Comedian Johnson

61 Show

62 Schoolbook

63 Means of access

64 Feel the lack of

65 Tiff

67 Onset of a poem

69 Puerto Rico's fort

70 Seaside

71 Pay excessive attention

72 Very old after

73 Story ending

75 Story teller

76 Brooklyn green park

78 Rocket stage

79 Onset of a poem

80 Puerto Rico's fort

82 Lassies

83 Burnt in a way

84 Right with the world

(Bromberg)

85 Eye doctors

86 A lot of firms

87 Atom-powered

88 Church offering

89 Poem

90 Puerto Rico's fort

91 Seaside

92 Very old after

93 Story ending

94 Story teller

ently readyin
tening

anemic oil prices.
Saudi Arabia had to realign its budget to reach 10 per cent this year.

Although life for the world standard government spending can impact on almost everyone in an economy directed by the state, the country's foreign debt is growing rapidly. The United States and allies to counter the movement of Iraqi troops, Kuwaiti oil imports are estimated at between \$30 million a day, a month. Oil prices have fallen sharply since the time being.

The four of the six President Clinton's allies in the Gulf are part of the deal.

The banks could now offer short-term loans of up to three years. Lebanon has been given financial assistance to acquire the funds required for reconstruction projects, it says.

A secondary market set up in June and the first stock market to reopen within a few months with a capitalization of \$1.2 billion since \$1.5 billion from November 1993, parts set aside for helping Beirut's city center.

Meanwhile, the central bank is also working to stabilize local currencies and to encourage exports. The new currency, the Lebanese pound, has risen 20 per cent. Saudi Arabia's long capital market is now well ahead in its development, the central bank says.

capital

Financial Markets Jordan Times
In co-operation with Cairo Amman Bank

U.S. Dollar in International Markets

| Currency | New York Close Date 26/10/94 | Tokyo Close Date 31/10/94 |
|------------------------|---------------------------------|------------------------------|
| Sterling Pound | 1.6240 | 1.6222 |
| Deutsche Mark | 1.5100 | 1.5109 |
| Swiss Franc | 1.2595 | 1.2607 |
| French Franc | 5.1665 | 5.1725** |
| Japanese Yen | 97.28 | 97.37 |
| European Currency Unit | 1.2613 | 1.2618** |

** USD Per SDR

** European Opening or 2pm am. GMT

** Eurobank opening or 2pm am. GMT

Eurobank 24 rates for amounts exceeding U.S. Dollars 1,000,000 or equivalent

Central Bank of Jordan Exchange Rate Bulletin

Date: 31/10/1994

| Currency | 1 MTH | 3 MTHS | 6 MTHS | 12 MTHS |
|------------------------|-------|--------|--------|---------|
| U.S. Dollar | 4.75 | 5.57 | 5.62 | 6.00 |
| Sterling Pound | 5.25 | 5.75 | 6.18 | 6.93 |
| Deutsche Mark | 4.68 | 4.93 | 5.06 | 5.45 |
| Swiss Franc | 5.45 | 5.61 | 5.93 | 4.37 |
| French Franc | 5.25 | 5.43 | 5.62 | 6.06 |
| Japanese Yen | 2.12 | 2.18 | 2.31 | 2.56 |
| European Currency Unit | 5.50 | 5.88 | 6.06 | 6.68 |

Interbank 24 rates for amounts exceeding U.S. Dollars 1,000,000 or equivalent

Central Bank of Jordan Exchange Rate Bulletin

Date: 31/10/1994

| Currency | Bid | Offer |
|----------------|--------|--------|
| U.S. Dollar | 0.6910 | 0.6930 |
| Sterling Pound | 1.1195 | 1.1251 |
| Deutsche Mark | 0.4566 | 0.4589 |
| Swiss Franc | 0.5473 | 0.5500 |
| French Franc | 0.1334 | 0.1341 |
| Japanese Yen | 0.7037 | 0.7122 |
| Dutch Guilder | 0.4074 | 0.4094 |
| Swedish Krona | ***** | ***** |
| Italian Lira | 0.0447 | 0.0449 |
| Belgian Franc | ***** | ***** |

* Per 100

Gros Currencies

Date: 31/10/1994

| Currency | Bid | Offer |
|----------------|----------|----------|
| Bahraini Dinar | 1.8170 | 1.8310 |
| Lebanese Lira | 0.040775 | 0.042625 |
| Saudi Riyal | 0.7651 | 0.1851 |
| Kuwaiti Dinar | 1.3190 | 2.5730 |
| Qatari Riyal | 0.1586 | 0.1910 |
| Egyptian Pound | 0.2000 | 0.2200 |
| Omani Riyal | 1.7500 | 1.4020 |
| UAE Dirham | 1.576 | 0.1891 |
| Greek Drachma | 0.2715 | 0.3175 |
| Cypriot Pound | 1.3935 | 1.5210 |

* Per 100

Gros Currencies

Date: 31/10/1994

Arab Gulf banks criticised for failure to upgrade services

ABU DHABI (AFP) — The Arab League's top financial official has criticised Gulf banks for their failure to upgrade services, saying they stick to traditional activities which do not serve domestic development.

Jassim Al Manai, chairman of the Abu Dhabi-based Arab Monetary Fund (AMF), said such activities coupled with a sharp increase in the number of banks during the oil boom had turned the Gulf into an "overbanked" region.

"The region is suffering from overbanking in the terms of the number of banks and the kind of their activities, which has remained mostly traditional at a time when non-traditional financing needs and methods have emerged in our region," he said in a study.

"Unfortunately, our banking community has failed to respond enough to such needs in order to exploit their resources shown trade accounted for

between 26 and 28 per cent of the total credits between 1988 and 1993, the construction sector for 11.9 per cent, and personal loans for around 23.2 per cent.

But regional officials have repeatedly urged banks to launch investment portfolios, issue bonds and securities, finance productive sectors and match modern banking operations emerging in the industrial countries.

Gulf bankers acknowledge the bulk of their operations have remained restricted to extending loans and credits to deposits, real estate and stocks in foreign markets, mainly in the West.

Credits by GCC banks to the public and private sectors in the region totalled \$84.2 billion by the end of 1993, but most of them have been channelled into trade and other non-productive sectors.

Official Gulf figures

showed trade accounted for

in 1993.

"There should be a revision of banking regulations in the region to guarantee that the banking sector will be able to face the development needs of the coming stage, which will see financial, administrative and economic cooperation to which we are not accustomed," Mr. Manai said.

"Gulf banks are called on to upgrade their services and facilities so they will become competitive not only with other regions but at the world

level," he added.

He said banks in the GCC, which groups Saudi Arabia, Bahrain, Oman, Qatar, Kuwait and the United Arab Emirates (UAE), could strengthen their financial position through mergers or cooperation with foreign units.

He put the number of banks in the GCC at 117, including 59 national banks and 58 foreign units. More than two-thirds of them are based in the UAE, Oman and Bahrain as Saudi Arabia and Kuwait do not have foreign banking ventures.

The combined assets of the banks have grown by around 3.65 per cent annually since 1988 to reach \$168 billion at the end of 1993, nearly one-third of the total bank assets in the 22-member Arab League.

Around 48.3 per cent of the GCC assets are based in Saudi Arabia, 24.7 per cent in

Kuwait, 15.6 per cent in the UAE, five per cent in Bahrain, 3.6 per cent in Qatar and 2.8 per cent in Oman.

It said that, for the first time in 20 years, aviation in China has become a buyer's market and not a seller's market.

The paper pointed out that civil servants were no longer obliged to fly Chinese carriers, resulting in a big switch to foreign airlines.

Meanwhile consumer patience with China's inefficient domestic airlines is wearing thin, with 66 per cent of passengers complaining of lengthy delays.

According to a recent survey carried out by CAAC flight delays are the number-one complaint, and look set to remain so.

CAAC officials quoted by the Guangming Daily cited more than 20 causes for the perpetual delays. The biggest problems were outdated technology, backward airport infrastructure and poor ground support.

Since the deregulation of China's aviation sector in 1985, a plethora of small carriers has sprung up. Many airlines have attempted to cut costs by purchasing unreliable old Russian planes which need repeated maintenance and contribute to delays, the officials said.

The occupancy rate of the 280 flights by Chinese carriers from Hong Kong each

China's airlines on financial crash landing

BEIJING (AFP) — China's civilian airlines, flying high

in airplane leasing payments of more than 50 per cent, the newspaper said, pointing out that the vast majority of planes used by domestic airlines were leased from the international agents.

In an attempt to cash in on rising passenger demand, many companies had overextended themselves by leasing too many planes without the necessary financial resources, it said.

At the same time, the expansion in fleet sizes has outstripped infrastructural development and 80 per cent of China's airports are sat

uation of the Chinese currency had meant increases in airplane leasing payments of more than 50 per cent, the newspaper said, pointing out that the vast majority of planes used by domestic airlines were leased from the international agents.

The unification at the beginning of this year of China's dual exchange rate system, rising oil prices and an appalling air safety record have dealt a series of body blows to the industry, leaving only four of the country's 30 large- and medium-sized airlines operating at a profit, the Economic Information daily said.

Exchange rate unification and the accompanying de

valuation of the Chinese currency had meant increases in airplane leasing payments of more than 50 per cent, the newspaper said, pointing out that the vast majority of planes used by domestic airlines were leased from the international agents.

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The worst crash in China's aviation history occurred in June, when all 160 people on board a China Northwest Airline flight died near the central tourist city of Xian.

Much of the blame for the appalling safety record has been laid on the rapid and under-monitored expansion of the plethora of regional airlines that sprung up in 1985 following deregulation and the dismantling of the monolithic Civil Aviation Administration of China (CAAC).

The Economic Information said that in the first quarter, only 35 per cent of passengers taking domestic and international flights from Beijing airport took Chinese carriers, it said.

The occupancy rate of the 280 flights by Chinese carriers from Hong Kong each

LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar and bullion markets Monday.

| U.S. \$1.00 costs | 1.3513/23 | Canadian dollar |
|-------------------|-----------------|-------------------|
| Deutschmarks | 1.5105/15 | Deutschmarks |
| Dutch guilders | 1.6937/47 | Dutch guilders |
| Swiss francs | 1.2608/18 | Swiss francs |
| British pounds | 31.08/12 | British pounds |
| Belgian francs | 5.1713/63 | Belgian francs |
| French francs | 1544.5/6.0 | French francs |
| Italian lire | 97.36/46 | Italian lire |
| Japanese yen | 7.2241/41 | Japanese yen |
| Swedish crowns | 6.5675/25 | Swedish crowns |
| Norwegian crowns | 5.9100/50 | Norwegian crowns |
| Danish crowns | \$1.6226/36 | Danish crowns |
| One ounce of gold | \$387.25/387.75 | One ounce of gold |

Mark Thatcher denies fabulous wealth from deals

LONDON (R) — Margaret Thatcher, son of former British prime minister Margaret Thatcher, has denied being a fabulously wealthy arms industry fixer cruising through life on the reputation of his famous mother.

In a rare newspaper interview, he said in Monday's edition of the Financial Times: "It would be significantly wrong to conclude that I am worth more than £5 million (\$8.2 million)."

"There is nothing to support it apart from innuendo. The whole idea that I have tremendous success is just a myth," he said. "If I had tremendous success I would not be running around trying to do the things that I am doing. I would be sitting on my own private island in the south pacific, but I am not."

Just how 41-year-old Thatcher finances his jet-set life has been a matter of rumour, innuendo and huge interest to Britain's media for a decade. He left Britain in the mid-1980s for the United States to escape press attention.

The Sunday Times tried to lift the veil of secrecy recently with allegations that Mr. Thatcher earned £12 million (\$20 million) for helping secure £220 billion (\$31.8 billion) arms deal with Saudi Arabia, signed by his mother, in 1985.

But Mark Thatcher said his friendship with Syrian-born financier Wafic Said had

Espanol beat Albacete; Madrid lose to Betis

MADRID, Spain (AP) — In weekend that saw Zaragoza confirm itself as the Spanish league's early-season sensation, Espanol's Jordi Lardin's two goals — his fifth and sixth of the season gave his team a strong 5-1 win over Albacete Sunday at Barcelona.

Lardin's eighth minute goal was followed up by teammate Roberto Fresnedoso's goal in the ninth. Roman Florin Raducioiu made the score 3-0 in the 22nd minute, and Lardin scored again in the 30th minute. Centrefielder Moises 'Arteaga' Garcia finished up the first-half push with a goal in the 35th minute.

Uruguay's Jose Luis Zalazar scored Albacete's lone goal on a penalty in the 40th minute.

Zaragoza moved into first place Saturday with a 3-2 win it home over Real Madrid. Both Zaragoza and Deportivo de la Coruna have 14 points and the same goal difference, but Zaragoza has scored more goals.

Argentine striker Juan Antonio Esnader scored twice and Uruguay's Gustavo Poyet scored in the last five minutes to give Zaragoza its win. Chilean Ivan Zamorano and Emilie Amavisca scored Real Madrid's two goals.

At Tenerife, Deportivo fell from first place Saturday with a 1-1 tie with Tenerife. Adolfo Aldana gave Deportivo a 1-0 lead in the 32nd minute but Juan Antonio Pizzi tied the match with his second-half goal.

Barcelona also tied San Sebastian, after a first-half goal from Brazil's Romario. In the second half, Bosnian Mehbo Kodro scored his sixth goal of the season to let Real Sociedad tie the match up 1-1 at San Sebastian.

Sunday, Argentine Daniel Foncio Aquino and Serbian Vlada Stotic gave Betis its 2-0 win over Atletico de Madrid at Madrid. Aquino scored in the 34th minute and Stotic in the 78th.

Euro soccer

Atletico chairman Jesus Gil Y Gil this week had threatened to fire half a dozen players unless performance improved. But, he told reporters after the game, he didn't think his statements had made the players more tense. The team is near the bottom of the standings with a 2-1-6 record.

Striker Isaias Soares put fourth-placed Benfica ahead after six minutes, and although Guimaraes were reduced to 10 men after 55 minutes when defender Samuel Quina was sent off for a second bookable offence, the home side came close to equalising.

Guimaraes won a penalty in the 77th minute when Bosnian Dane Kupresanin was fouled, but Freud'homme pushed Kupresanin's kick past the post. Kupresanin got on the scoresheet with a consolation goal three minutes from time.

Sporting, the only unbeaten side in the league, relied on their foreign players and an own goal for their 2-0 in the 80th minute.

At Seville, centrefielder Francisco Javier Pineda and Croat forward Davor Suker gave Sevilla a 2-0 lead at the end of the first half, scoring in the 42nd and 45th minutes.

Sporting de Gijon's Pablo Jose Diaz scored an own goal in the 65th minute to give Sevilla a 3-0 lead. Seville's centrefielder Gabriel Moya then scored in the 70th minute and Rafael Paz Marin made the team's final goal in the 82nd minute.

Anunice hit the bar in the 60th minute, but it took an own goal from Beira Mar defender Pedro Miguel two minutes from time to seal Sporting's victory.

In other games Saturday, Valencia won at home, beating Celta 1-0. Athletic de Bilbao won 2-0 over Racing de Santander.

Caniglia scores twice

Champions Benfica inflicted the first home defeat of the season on 10-man Guimaraes late Sunday with a 3-1 victory earned by their two new foreign imports.

Argentine Claudio Caniglia scored twice in the last 15 minutes after Benfica's newly-signed Belgian World Cup goalkeeper Michel Salgueiros

preud'homme saved a penalty, but they still languish six points off the pace.

Sporting Lisbon remained top with a 2-0 win over Beira Mar, while Porto kept up the pressure with an emphatic 4-0 drubbing of newly-promoted Claves to remain two points behind.

Striker Isaias Soares put



Real Betis goalie Jaro (left) blocks the shot of Atletico de Madrid's Kiko (centre) while Betis' defender Merino tackles him during their Spanish League first division match Sunday. Etoku's goal ended a five-match losing streak for the Dons (AFP photo)



teammates Viany Jones (left) and Steve Talboys after scoring the team's only goal against Norwich City in the English Premiership match late Sunday. Etoku's goal ended a five-match losing streak for the Dons (AFP photo)

Denver down Browns; Chargers beat Steelers

AMERICAN FOOTBALL

times.

Raiders 17, Oilers 14

At Los Angeles, Jeff Hostetter threw an 11-yard TD pass to Tim Brown with 1:50 left, and the Raiders (4-4) won when Al Del Greco's 52-yard field goal attempt slammed against the crossbar and bounced back onto the field at time expired.

The Oilers (1-7) had taken a 14-10 lead on Billy Joe Tolliver's 7-yard TD pass to Haywood Jeffires with 3:19 left. Tolliver started in place of the injured Cody Carlson. He finished 19 for 43 for 226 yards to the Arizona 5 with 62 seconds to play.

Gary Anderson's 23-yard field goal with 47 seconds left tied the game. The score was made possible when Neil O'Donnell, with a tackler wrapped around his legs, found Eric Green with a desperation pass. The 280-pound tight end rambled 46 yards to the Arizona 5 with 62 seconds to play.

Yancey Thigpen scored on a 60-yard pass from Neil O'Donnell for the Steelers (5-3).

Dolphins 23, Patriots 3

At Foxboro, Mass., Dan Marino outdueled Drew Bledsoe again. This time it wasn't close. Marino threw for 198 yards and a TD on the opening drive of the second half for Miami (6-2). Bledsoe, the NFL leader in passing yards, threw for just 125 yards and three interceptions, leading to 10 Dolphins points.

Marino threw a 7-yard scoring pass to Keith Byars, whose 1-yard run had given the Dolphins a 13-3 lead seven seconds before halftime.

Mo Lewis put the Jets (4-4) back in the game when he returned an interception 18 yards for a score. A two-point conversion pass made it

21-18. Marshall Faulk, who had a 1-yard TD run in the third quarter, added the clinching score on a fourth-down, 29-yard carry midway through the final period.

Cowboys 23, Bengals 20

At Cincinnati, the Bengals (0-8) blew their best chance to win this season against the league's best team. After trailing 14-0, Dallas (7-1) rebounded as Troy Aikman threw two TD passes and Chris Boniol kicked three second-half field goals.

Boniol's third field goal, a 38-yarder with five minutes left, gave the cowboys the lead for the first time. Aikman was 20 of 33 for 272 yards and Emmitt Smith had 92 yards on 25 carries.

Vikings 36, Buccaneers 13

At Tampa, Fla., cornerback Anthony Parker scored a TD in his third straight game — a 41-yard interception return — and Minnesota (6-2) forced five turnovers.

Warren Moon threw for 182 yards and a TD and Fuad Revez kicked five field goals. The Bucs (2-6), outscored 111-42 in their last three games, trailed 23-7 at the half.

Colts 28, Jets 25

At Indianapolis, Don Majkowski made his first NFL start in two years a winning one, passing for one TD and running for another for the Colts (4-5), who survived five turnovers.

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Bills 44, Chiefs 10

At Orchard Park, N.Y., Jim Kelly threw four TD passes and Bruce Smith harassed Joe Montana all day as Buffalo (5-3) showed it can still win big games.

Smith forced an interception and recovered one of Montana's two fumbles in what looked like a replay of last year's AFC championship game. In that game, Smith helped knock out Montana with a concussion early in the second half and Buffalo won 30-13 to earn its fourth consecutive Super Bowl berth.

The Chiefs (5-3) absorbed their worst non-strike loss since 1984.

Eagles 31, Redskins 29

At Washington, Eddie

Murray kicked a 30-yard field goal with 19 seconds left to lift the Eagles, who forced rookie Gus Frerotte into two interceptions and a fumble. The Redskins had taken a 29-28 lead with 3:58 left on Chip Lohmiller's 40-yard field goal.

Randall Cunningham had a rough start as Washington led 17-7 at the half, but he led three long scoring drives as the Eagles (6-2) won their fifth straight against the Redskins (2-7).

Lions 28, Giants 215

At East Rutherford, N.J., Jason Hanson kicked a 24-yard field goal with 8:17 left in overtime, and Detroit (4-4) handed New York (3-5) its fifth straight loss.

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Dave Meggett had a 56-yard punt return for a fourth-quarter TD and the Giants added a two-point conversion to tie it at 18 before Mitchell hit Moore from a yard out. The Giants sent the game into OT on Dave Brown's 7-yard TD pass to Aaron Pierce.

Maradona still waiting for 1st win as coach

Buenos Aires (R) —

Diego Maradona was still waiting for his first win as a soccer coach at the weekend after watching his Deportivo Mandiyu team draw 0-0 away to Ferro Carril Oeste in the Argentine championship.

International soccer's governing body FIFA decided last week that Maradona, who is joint coach of the club based in Corrientes, could work as a coach despite his 15-month playing ban for failing a drug test at the World Cup finals.

Although Mandiyu had slightly the better of a dull encounter, Maradona was unable to celebrate FIFA's decision with a win.

Mandiyu goalkeeper Sergio Goycochea, Maradona's teammate in the Argentine team which finished as runners-up in the 1990 World Cup, was substituted in the second half after being injured.

Maradona, who has drawn four games and lost one since Maradona joined, are one place from the bottom in the Argentine Apertura championship, the first of two competitions in the 1994/5

season.

Leaders Velez Sarsfield had to come from one goal behind at home to Boca Juniors to keep their unbeaten record in the competition.

Veteran 34-year-old midfielder Alberto Marcio gave Boca a 40th minute lead when he scored from a rebound after Rodolfo Arribalzaga's header hit the crossbar.

Boca controlled the game and Paraguayan goalkeeper Jose Luis Chilavert was once more the hero for Velez as he made several fine saves to keep them alive.

But the South American club champions grabbed an undeserved equaliser ten minutes from time through striker Omar Asad, following a lapse by the Boca defence.

River Plate moved into second place, beating Racing Club 1-0 with a 14th minute penalty converted by Uruguayan international striker Enzo Francescoli, his 75th goal in two stints with the club.

Gimnasia y Esgrima La Plata won their first game under new coach Carlos Grigoli, beating Platense 2-0 at home.

6 sent off as players brawl in Brazil clash

RIO DE JANEIRO (R) —

Six men were sent off and riot police had to separate brawling players as a Brazilian championship match erupted in violence Sunday.

After the match one player went to a police station to make a formal complaint against an opponent.

The game, involving world club champions Sao Paulo and defending Brazilian champions Palmeiras, degenerated after Palmeiras striker Edmundo was involved in a furious row with a director on the Sao Paulo bench late in the second half.

Ironically, the game, a local derby, had been preceded by a campaign to eradicate violence on the terraces.

Representatives from the organised supporters clubs of several Sao Paulo-based teams paraded around the pitch carrying banners with the word "peace" before the game and then launched a symbolic dove in the centre circle.

Trouble began after Edmundo had scored his second goal of the game to level the score at 2-2.

Edmundo was involved in a furious exchange with the Sao Paulo team bench, during which the two sides exchanged abuse.

As soon as play re-started, Edmundo lunged into Sao Paulo midfielder Alemao with a reckless tackle for

which he was shown the yellow card.

Edmundo was surrounded by remonstrating Sao Paulo players and slapped Sao Paulo midfielder Juninho in the face. Both were sent off.

As Edmundo was leaving the pitch, he punched Sao Paulo left back Andre Luis in the face, then aimed a kick at the groin of the same player.

This began a brawl in which players from both sides punched and lunged at each other with violent kicks.

The brawling stopped only when riot police, armed with truncheons, came onto the field. Muller and Gilmar of Sao Paulo and Antonio Carlos and Cesar Sampio of Palmeiras were all sent off.

Radio reporters, who are positioned around the pitches in Brazilian stadiums, became caught up in the melee as they attempted to broadcast the players' remarks five circles.

The game, which was interrupted for a total of 15 minutes, ended 2-2.

After the match, Andre Luis went to a police station to make a formal complaint.

Sao Paulo Director Kafele Joao Francisco admitted later he had spoken to Edmundo from the bench. "I told him to play football. Everyone he went for the ball, he went with his feet up," Francisco said.

Cuba destroy Brazil in a bad-tempered world volleyball final

OAI SAO PAULO (R) —

Cuba destroyed Brazil in straight sets to win the women's World Volleyball Championship Sunday in a bad-tempered final.

Cuba, who did not drop a single set in the entire competition, gave ample demonstration of their superiority in the sport as they won 15-12, 15-10, 15-15.

Brazil, backed by a noisy crowd, produced sterner resistance in the second set after making changes to their line-up but still went down 15-10.

The home side took a 4-0 lead in the third set but then capitulated, managing only one more point in the rest of the second set. Mireya Luis, their

top player, was shown the yellow card for dissent in the third set.

Brazil coach Bernardinho was also given the yellow card after less than one minute's play for dissent.

With Luis and left-handed Regia Bell producing a succession of winning shots, Cuba raced into a 6-0 lead in the first set, which they finished off in 13 minutes.

Brazil, backed by a noisy crowd, produced sterner resistance in the second set after making changes to their line-up but still went down 15-10.

The home side took a 4-0 lead in the third set but then capitulated, managing only one more point in the rest of the second set. Mireya Luis

till waiting
as coach

Leader: Vélez-Sarsfield
and his wife from one goal
behind at home in Boca
strive to keep their un-
beaten record in the competition.

Nicolás, 34, year old and
older Alberto Martínez, gave
a 40th minute lead when he scored from a
second effort. Rodriguez
Arenzaburu's header put
at the crossbar.

Boca controlled the game
and Paraguayan goalkeeper
Ivan Chilavert was the
one the heroic Vélez had to
keep them there.

But the South Americans,
who champions grabbed
an deserved equalizer ten
minutes from time, then
miker time And the game
ended in the Boca a draw.

River Plate moved to
second place, became
but 1-0 with a 14th minute
goal converted by
Argentinian international
Giovanni Francella in
just two minutes after
they had been won.

Noah, 34, who captained
France when they scored
their historic Davis Cup victory
by beating the United
States in the dramatic 1991
final in Lyon, has been given
carte blanche by French Fed-
eration President Christian
Bimes to restore French suc-
cess.

Noah, the 1983 French
Open champion, who turned
to singing and variety per-
formances after quitting the
captain's role, takes over
from the man who replaced him — Georges Goven.

Under Goven, France's
fortunes in the team competition
declined and the former
champions were twice beaten
in home matches at the quar-
terfinal stage — first by
Switzerland and then by
Sweden.

"I think the guys missed me," grinned Noah, who said
he had been tempted back
because he had been given a
"completely free hand" in
the selection and preparation of
French teams.

"I shall be able to be with
the players at major events
and I think I can add something
positive."

SPORTS

Noah back to lead France Davis Cup team to glory

PARIS (AFP) — Yannick Noah, France's most spec-
tacular player in post-war
years, has turned his back on
show business for the time
being and returned to tennis
to try to lead France back to
former glory.

Noah, 34, who captained
France when they scored
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States in the dramatic 1991
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Yannick Noah

Noah, who was critical of
Bimes when he replaced Philippe
Chatrier as French Federation
president, made it clear he was putting internal
squabbles behind him. But
although he had "no axe to
grind" he declared: "My
ideas haven't changed."

"I haven't criticised
Georges Goven, who hasn't
had the best of luck since he
took over, and I haven't sat
in judgement on the French
Federation.

"I just hope I can put some
enthusiasm back into French
tennis."

"At the moment none of
our players are ranked where
they should be. To have no
players in the top 30 is ridicu-
lous. I hope that will
change. Why does he play so well in
Stockholm? Because of the
fast court that suits his serve-
and-volley game so well? The
city? Or the fans?"

HORSE RACING

Outsiders pose Melbourne Cup threat

MELBOURNE, Australia (AP) — It is the horse race
that stops a nation. Australia traditionally comes to a halt
on the first Tuesday in November to watch the Melbourne Cup.

Major roads are briefly deserted, shops almost empty,
as people crowd around television sets in offices and bars
to watch the two-mile (3.200 metres) Flemington Classic.

State authorities estimate around Australian \$150 million (U.S. \$112 million) will be wagered on the race in Australia, which has a population of 18 million.

The race has traditionally been dominated by Australian and New Zealand horses — but Irish gelding Vintage Crop last year became the first European-horse to win the Melbourne Cup since it was first run in 1861.

Vintage Crop, a dual Irish St. Leger winner struggling to recover from a foreleg injury that required 14 stitches, heads a strong northern hemisphere challenge again this year.

Trainer Dermot Weld said

Vintage Crop, who will be ridden by leading Irish jockey Michael Kinane, suffered a deep puncture and two gashes to his leg when he lurched into the edge of a fence rail before training gallop at Sandown a week ago.

Vintage Crop's stablemate Cliveden Gail will be ridden by top English jockey Willie Carson — a five-time English Derby winner — while Jeune will succeed in 16 of 28 starts.

Top rating, Paris Lane and Jeune are the three local horses given the best chance of winning — but Jeune also has strong northern hemisphere connections.

Owned by Sheikh Hamdan Bin Rashid Al Maktoum of Dubai, six-year-old stallion Jeune raced in England until this season but now is trained in Melbourne by David Hayes, who also prepares top rating.

"I'm convinced that Quick Ransom is now racing as well as at any time in his career," Johnson said.

Cliveden Gail is a former

winner of the Curragh Handicap and Leopardstown November Handicap in Ireland, although trainer Weld has not been impressed with her build-up.

"She hasn't travelled near-
ly as well as I would have
liked," he said.

River Verdon is trained by Englishman David Hill in Hong Kong, where he won the Hong Kong Invitation Cup back in 1991 and has succeeded in 16 of 28 starts.

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Trainer Dermot Weld said

Salo to drive for Lotus

LONDON (AFP) — Finnish driver Mika Salo will make his Grand Prix debut with the Lotus Mugen Honda team in next Sunday's Japanese Grand Prix at Suzuka.

Salo, 27, will partner the team's regular Italian driver Alessandro Zanardi.

Lotus also announced formally that it would compete in Japan and in the final Grand Prix in Adelaide, Au-

stralia, "with fresh confidence following the sale of the team, which has ended the administration period."

Lotus went into voluntary administration in early October to shield itself from overhanging debts estimated at £10 million. The names of the new owners were not revealed.

Salo was a star of the Brit-

GOREN BRIDGE

WITH OMAR SHARIF & TANIAH HIRSCH

BY JEFFREY S. KATZ

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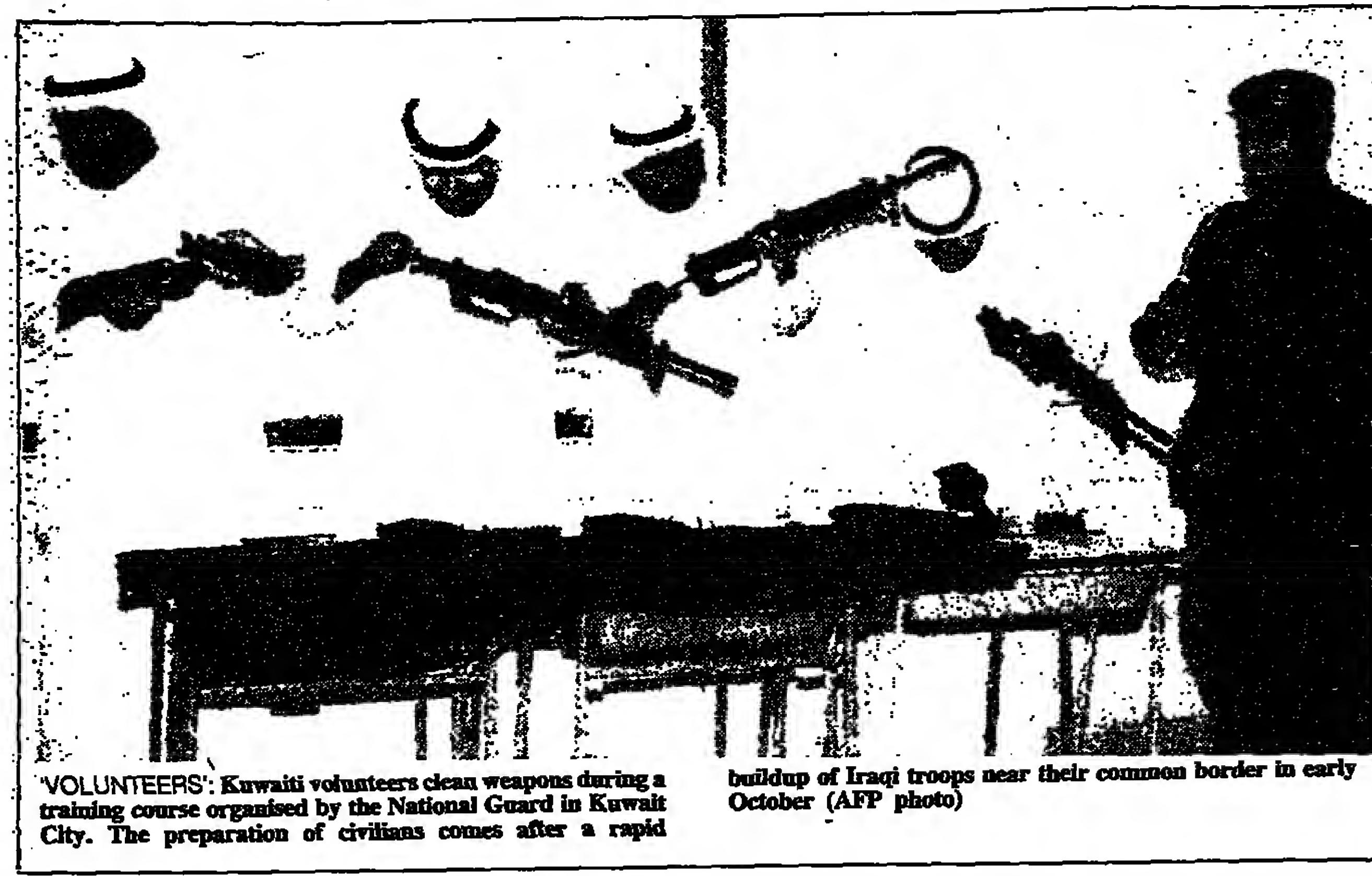
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VOLUNTEERS: Kuwaiti volunteers clean weapons during a training course organised by the National Guard in Kuwait City. The preparation of civilians comes after a rapid buildup of Iraqi troops near their common border in early October (AFP photo)

Palestinians take over Rafah post

RAFAH (Agencies) — The Palestinians raised their flag for the first time at the international border with Egypt on Monday, as they took joint control with Israel of travel into and out of the Gaza Strip.

Israeli General Aryeh Shiffman symbolically ceded shared responsibility in a handshake with Palestinian Brigadier General Ziyad Al Atrash.

"Welcome to the Palestinian authority," read a new sign in English, Arabic and Hebrew, with a portrait of Palestine Liberation Organisation (PLO) Chairman Yasser Arafat above it.

Tiny black, white, red and green flags framed the board, while full-size Palestinian colours fluttered at the entrance and exit of the border post, near Israeli flags.

"Our taking charge at the border, according to the agreement, is a second step on the way to peace," said Mr. Atrash. "We are now establishing peace between the Palestinian people and Israel."

Palestinian police and officials in passport, customs and security departments were to begin work on Tuesday when travellers would have documents stamped with new Palestinian authority stamps.

According to the May 4 Cairo autonomy agreement between Israel and the PLO, Israel retains final control.

over the borders of Rafah, and at the bridge into Jordan. Mr. Shiffman gave Mr. Atrash a copy of the 62-page border agreement.

A similar ceremony was due to be held at the King Hussein Bridge border crossing from the West Bank on Tuesday, officials said.

The new Israeli and Palestinian colleagues at the PLO on Sunday by promising to lift a Gaza border closure.

Some 120 Palestinian employees were gradually to start operating from Tuesday, including armed policemen, passport officers and civilian administrative officials, said Majdi Al Khalidi, director-general at the Palestinian planning ministry.

Asked if Israelis would help train the Palestinians to come with Mr. Arafat.

It was their first meeting since the Oct. 19 bombing and last week's signing of the Israel-Jordan peace treaty, which Mr. Arafat has strongly criticized.

I informed Chairman Arafat that starting Tuesday, two days from today, we gradually will lift the closure," Mr. Rabin told reporters after both sides before being separated.

Israel maintains a discreet control over the Palestinian channels.

Mr. Khalidi said final dif-

ferences in the operation of the border accord had been smoothed out in Casablanca, where chief Palestinian and Israeli negotiators Nabil Shaath and General Danny Roditsch met on the fringes of a Middle East economic forum.

Israel Radio reported that Mr. Rabin and Mr. Peres told Mr. Arafat that Israel may use its forces in the autonomy zones unless he cracks down successfully on militant groups responsible for recent attacks.

Yasser Abed Rabbo, Mr. Arafat's minister of culture and information, said the closure policy should be lifted immediately and completely "because collective punishment is not a policy that will be helpful for creating an atmosphere of trust between the two nations."

Israeli soldiers have arrested seven militants from the Islamic Resistance Movement, Hamas, at a refugee camp on the occupied West Bank, Palestinian sources said.

The swoop on Sunday followed the detention last Wednesday of nine Hamas men from Jalazun refugee camp and a neighbouring village just north of Ramallah.

According to Israel Radio, some 150 Hamas activists have been detained since the Oct. 19 bombing.

The army refuses to comment on the arrests.

NEWS IN BRIEF

Egyptian business team visits Gaza

GAZA CITY (AFP) — Sixteen Egyptian businessmen and officials held talks with Palestinians here Monday in an effort to work together in agriculture, tourism and industry, an official said. The group plans to meet Palestinian leader Yasser Arafat later this week, said Hassan Hegazi, secretary-general of the Gaza Chamber of Commerce. Invited by the head of Gaza's chamber of commerce, Mohammad Al Kidwa, the team of representatives from North Sinai province and chamber of commerce, was to visit factories in the autonomous Gaza Strip, and in the Israeli-occupied West Bank, Mr. Hegazi said. "They will study matters of benefit to both Palestinians and North Sinai," he added. They were also to travel to Jerusalem during their three-day tour of the West Bank, starting Tuesday, Mr. Hegazi said. A month ago, Gaza's chamber of commerce hosted a delegation of Egyptian industrialists from the private and public sectors, he said.

U.S., Britain issue warnings in Egypt

CAIRO (AFP) — Britain on Monday advised its nationals to avoid travelling in fundamentalist strongholds following the killing of a holidaymaker last week, while the United States warned its citizens to be on their guard after receiving bomb threats. The U.S. embassy said it had received warnings of bomb attacks on "American institutions" in Egypt, and said it had alerted its residents here. An embassy spokesman refused to give any details of the threats. The British consulate issued an advisory telling Britons not to travel "by road, rail or river" through the southern provinces of Minya, Assiut, Sohag and Qena north of the major tourist destination Luxor. Suspected fundamentalist killed a British holidaymaker in an attack on a minibus 23 kilometres north of Luxor on Oct. 23. The advisory issued by the Foreign and Commonwealth Office said that more than 250,000 Britons visited Egypt in 1993 without experiencing threats to their safety. "But total security cannot be guaranteed," it said. "Further incidents are to be expected. All visitors should be vigilant and are reminded to behave and dress discreetly."

Cyprus protests Turkish minister's statement

NICOSIA (AP) — Recent comments by Turkey's foreign minister rejecting Cyprus' reunification prove that Ankara has expansionist intentions to establish a protectorate on the war-divided island, the government spokesman said Monday. Spokesman Yannakis Cassoufides said that Turkish Foreign Minister Muntaz Soysal "has revealed even more clearly that Turkey supported the dissolution of the Cyprus state and the recognition of the breakaway Turkish Cypriot state." He was commenting on statements by Mr. Soysal in an interview published Sunday by the semi-official Athens News Agency of Greece. Mr. Soysal was quoted as saying that there were two states in Cyprus and that the Security Council resolutions calling for the reunification of the island could not be implemented. Cypriot President Gilekios Clerides was to protest the Soysal statements to the U.N. representative in Cyprus later Monday during a final meeting between Mr. Clerides and Turkish Cypriot leader Rauf Denktash.

Court sets date for start of Geagea trial

BEIRUT (AFP) — The trial of former Christian warlord Samir Geagea on charges of involvement in the murder of a Christian leader and a February church bombing is set to open on Nov. 19, the president of the Court of Justice said on Monday. If convicted Dr. Geagea faces the death sentence over the murder of Dany Chamoun, a rival Christian leader, and his family in 1990 and a bombing at a Sunday mass in February that killed 11 worshippers. He has also been charged of involvement in the murder of a former member of his disbanded Lebanese Forces militia, Elias Zayek, in 1989, which also carries the death sentence. Dr. Geagea has been detained at the defence ministry since April 21. He has denied involvement in all three cases. Last March the government outlawed the Lebanese Forces party which Dr. Geagea had formed after his militia was disbanded at the end of the 1975-1990 civil war, accusing it of fomenting confessional strife.

Iranian women protest ban on headscarves

TEHRAN (AFP) — More than 1,000 Iranian women rallied outside the French embassy in Tehran to protest a ban on Islamic headscarves in French high schools. The demonstrators, dressed in the traditional black chador and wearing veils, voiced support for Muslim girls expelled from schools in France and called on the French government to revoke the "discriminatory" ban. "We support the fight put up by our Muslim sisters in France, who were expelled because of their Islamic hijab (covering), a symbol of courage and respect for women," shouted the demonstrators who were mainly students from Tehran University. "Rise up, my sisters, to have the ban lifted." The embassy admitted a group representing the protesters to receive a statement on the issue and the rally calmly dispersed later under the watchful eyes of police. The rally was part of an anti-French campaign launched a few days ago by the Iranian authorities and the press. Chief Justice Ayatollah Mohammad Yazdi condemned the ban on Sunday and warned that the "Islamic World would not ignore the infringement on the natural rights" of Muslim schoolgirls in France.

Iran, Bosnia and Croatia to boost ties

NICOSIA (AP) — Iran, Bosnia and Croatia have agreed to meet twice a year to boost economic and political ties, Iran's Islamic Republic News Agency reported. In a tripartite meeting in Tehran Sunday, attended by Iran's vice president, Hassan Habibi, Bosnian Prime Minister Haris Silajdzic and Croatian Prime Minister Nikica Velebit, the three sides called on the international community to support Bosnia and Croatia in their war against the Serbs, IRNA reported. It said a joint communiqué, released simultaneously in Tehran, Sarajevo and Zagreb, regretted the easing of U.N. sanctions against Serbia. The U.N. decision was "rewarding the aggressor," according to the communiqué reported by IRNA. In a meeting Sunday with his Iranian counterpart, Ali Akbar Velayati, Mr. Silajdzic thanked Iran for supporting his country.

Rabin wants unconditional negotiations with Lebanon

Hizbullah rejects Hrawi proposal

TEL AVIV (Agencies) — Prime Minister Yitzhak Rabin, reacting to a Lebanese proposal, said Monday that Israel would not promise to withdraw from South Lebanon just to hold peace talks.

President Elias Hrawi of Lebanon proposed that an Israel-Lebanon committee be set up to negotiate a timetable for the withdrawal of Israeli troops.

Mr. Hrawi said he would guarantee an end to guerrilla attacks on Israel from southern Lebanon if Israel agreed (see page 2).

Asked about the proposal, Mr. Rabin did not dismiss it outright, saying he had requested clarifications from U.S. mediators.

"If the meaning is that we have to commit ourselves to withdraw from the present line in South Lebanon for having this committee, it's a non-starter," Mr. Rabin told reporters.

Mr. Rabin also expressed scepticism that Mr. Hrawi could guarantee a ceasefire by Hizbullah forces during negotiations.

"On his promises alone, without putting it to a real test, we will not do anything," Mr. Rabin said.

Mr. Rabin reiterated Israel's demand that in advance of negotiations the

Lebanese army must first disarm and disperse the Hizbullah, which has led a guerrilla campaign of bombings and ambushes against Israeli troops in South Lebanon as well as periodic rocket attacks on northern Israeli settlements.

If the Lebanese army proves over a period of six months that it can maintain calm, a peace treaty can then be negotiated over the next three months, Mr. Rabin said Monday.

Israel has said it would not withdraw until Syria pulled out its 40,000 troops stationed in Lebanon. Israel maintains about 2,000 soldiers in a "security zone" it created in 1985 after withdrawing the bulk of its army from Lebanon.

Mr. Rabin also said negotiating a timetable of withdrawal was not enough and that talk must be capped by a full peace treaty.

"Whatever we intend to do is only for signing a peace treaty, normalising relations, we have embassies, open boundaries for movement of people and goods," Mr. Rabin said.

Hizbullah rejected the Hrawi proposal.

One of the group's leading members said such a proposal does not "concern us."

"We assert that the resistance

Major bodyguards lose secret phone details

LONDON (R) — A list of secret phone numbers for Prime Minister John Major's home, offices and security staff was accidentally left in a hotel room, a British newspaper reported Monday. The tabloid Sun newspaper said the document, which included serial numbers for police guns, bodyguards' birth dates and blood groups and even the names of some of their spouses, was left behind in a bed in the room in West London. Police confirmed they were investigating, but a spokeswoman for Mr. Major's office said: "We do not consider this a breach of security." The Sun said it used the list to call a protection squad mobile phone, reporting that the man who answered exclaimed: "Good God how did you get this number?"

Germans first to cross Gobi Desert on foot

BEIJING (AP) — Detouring around impassable sand mountains, fighting snow, wind and freezing temperatures, a German team has crossed China's Gobi Desert on foot and believes it is the first to do so. "Not one step was a gift to us," leader Bruno Baumann said Monday of the 21-day trip in September through Asia's largest desert. It was an expedition of the sort that is "rare in the world today" because no one had covered the same ground before and the team had no idea what to expect, he added.

Mr. Baumann estimated that the team walked more than 500 kilometres (310 miles) — about 200 kilometres (125 miles) of that zigzagging around sand mountains that their pack camels at first refused to climb. The 30 camels were carrying 85 25-litre (26.5-quart) tanks of drinking water, food for the 15-member team, and telecommunications and other equipment.

The Agaba-Elat crossing is now limited to third country nationals. However, Israelis holding non-Israeli passports are also allowed in.

The government has sent the peace treaty to Parliament with a request that it be treated as emergency law. The Foreign Affairs Committee of the Lower House of Parliament has started studying the document, and it is expected that the committee would present its findings to the full House early next week, clearing the way for floor debate on the issue.

The Israeli parliament (Knesset) approved the peace treaty on Oct. 25.

Experts warn loud snoring can kill

BEIJING (AFP) — Mention otolaryngology to most people and you would receive a blank stare, but Chinese medical experts at the cutting edge of the field are uncovering a heavy sleeper's worst nightmare — snoring can kill.

If your snoring tops the 60-decibel mark and you feel slightly choked when falling asleep, then, according to Wang Youfu, who heads the Otolaryngology Department at the Beijing Sixth Hospital, you should consult a doctor as soon as possible. China Daily quoted Dr. Wang as saying that research had shown snoring to be a pathological state in which impairment of breathing develops after falling asleep.

Jordan and Israel have agreed that 550 Israeli tourists holding Israeli passports would be allowed to visit the Kingdom every day through the southern crossing near Aqaba which was opened on Aug. 8 and the northern crossing — the Sheikh Hussein

Bridge — which is expected to be opened soon; 250 will be allowed in through the south and the rest across the Sheikh Hussein Bridge, whose name is expected to be changed into "Green Valley Bridge" or "Peace Bridge."

The number of Israeli tourists allowed to visit the ancient city of Petra will be initially limited to 150 per day because of the limited facilities available there, Jordanian spokesman Marwan Musleh said on Oct. 27.

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The current UNOSOM mandate expires on Monday. The Security Council must endorse continuation of the mission until March 31, already the target date for their pull out. A vote is expected this week.

Zimbabwe will withdraw its peacekeepers from Somalia by the March 31 target date for the withdrawal of all U.N. forces, an army spokesman said in Harare on Monday.

"It is definite Zimbabwe is going to pull out and the process will be in phases, but one cannot say exactly when they will start," the spokesman told AFP.

Confirming the withdrawal, Foreign Minister Nathan Shamuyarira said: "The mandate of the U.N. expires next year by which time we hope to have completely withdrawn our troops."

The Zimbabwean spokesman said since the majority of the Zimbabwean troops man the Mogadishu airport, they would probably be the last to leave in March.

Zimbabwe has had a battalion of 1,000 troops in Somalia since January 1993 and has suffered three casualties.

Fighting rages in Kabul

Ali Mahdi reshuffles his Somali alliance

MOGADISHU (Agencies) — Somalia's self-proclaimed "interim president" Ali Mahdi Mohammad and his alliance partners announced Monday a reshuffle within the alliance to better confront their main rival, General Mohammad Farah Aideed.

The Somali Salvation Alliance said it was setting up a new steering committee to be headed by Mr. Ali Mahdi, who has refused to attend a conference among the country's warring factions unless it was chaired by the United Nations.

Mr. Ali Mahdi is the main rival to Gen. Aideed. Somalia's leading warlord, who has called other clan leaders to the reconciliation conference in the embattled capital Mogadishu on Tuesday.

Southern Mogadishu, controlled by Gen. Aideed, has for a week been the scene of heavy clan fighting.

The aim of the conference would be to give Somalia a government after more than three years of clan warfare accompanied by mass famine following the ouster of dictator Mohammad Siad Barre.

Mr. Ali Mahdi said that though he wanted a conference held at the U.N. headquarters in Mogadishu, he would be prepared to go to the towns of Kisimayo or Baidoa or the Kenyan capital Nairobi, but he stressed that "UNOSOM (the U.N. Operation in Somalia) has to play an important role, not only as a facilitator."

The U.N. Security Council's current president, Colin Keating, of New Zealand, warned on a visit here last week that international aid would continue only if the clans in the Horn of Africa country agree to reconcile.

(Continued on page 7)

German kidnap dr...

Jordan w... shrines to reach final Regional and dev...

German leader congratulates King

ABU DHABI United Arab Emirates has made two more arrests in its investigation into the killing of the Emir of Oman, Sultan Qaboos bin Said Al Said, in a plot masterminded by the Iranian Revolutionary Guards.

UAE quits AOI

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Yeltsin sacks controversial general

MOSCOW Russian President Boris Yeltsin has dismissed General Anatoly Lebed, the former commander-in-chief of the armed forces, from his post as chief of the general staff.

Israeli reserves near \$7 billion

TEL AVIV Israeli foreign minister Shimon Peres has announced that the country's foreign reserves have reached \$7 billion.

Yasser Arafat, chairman of the PLO, has accepted the offer of a \$1.2 billion loan from the United States, with the money to be used for reconstruction work in the West